



Daily Report

East Asia

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Japan

Hata Urges 'Final' Decision on Rice Issue

OW1112074793 Tokyo KYODO in English 0622 GMT
11 Dec 93

[Text] Tokyo, Dec. 11 KYODO—Agriculture, Forestry and Fisheries Minister Eijiro Hata on Saturday [11 December] called for a final government decision on partially opening Japan's rice market to be made Sunday at the latest, Chief Cabinet Secretary Masayoshi Takemura said Saturday. Hata made the pitch at informal cabinet talks on the Uruguay Round of multilateral trade negotiations, which were held for over two hours at the prime minister's official residence.

At the talks, the farm minister told Prime Minister Morihiro Hosokawa and other cabinet ministers that the government decision on rice trade is needed to meet the Monday deadline for submission of its trade liberalization proposal under the Round, Takemura said at a news conference.

Hosokawa will make a final judgment on holding a cabinet meeting to decide on the rice issue after listening to reports by Foreign Minister Tsutomu Hata on his last-ditch efforts in the final stage of the global trade talks being held in Geneva, the top government spokesman said.

The foreign minister left for Geneva on Friday night to oversee Japanese negotiators in the Round sponsored by the General Agreement on Tariffs and Trade (GATT). Japan's rice import ban has been one of the major stumbling blocks to the seven-year-old Uruguay Round set to be completed next Wednesday.

Asked about the possibility of a cabinet meeting being held Sunday prior to Hata's return home, Takemura said only that all the cabinet ministers can be contacted throughout the day.

Hosokawa originally planned to decide Friday to accept a GATT proposal that would partially lift Japan's ban on foreign rice, but he has postponed the decision in the face of opposition from within and outside the ruling coalition. The proposal would exempt Japan from tariffication of rice imports for six years in exchange for opening 4 to 8 percent of its annual domestic rice consumption as "minimum access" to imports.

Opponents argue that the minimum access formula would eventually lead to comprehensive tariffication of the nation's ban on rice imports.

In addition to resistance from the opposition camp, the Social Democratic Party (SDP), the largest force within Hosokawa's seven-party coalition, has strongly opposed the GATT proposal. At an extraordinary meeting of its decision-making Central Executive Committee, the SDP confirmed Saturday that it will put off a decision on whether to accept the partial opening of Japan's rice market until Tuesday. But the party also decided to

prepare for a potential decision on Monday by the government to accept the GATT proposal.

The foreign minister will attend ministerial-level talks on Saturday with the United States, the European Community (EC) and Canada in the GATT home of Geneva. He is also to meet with top officials of the GATT secretariat in Geneva, including GATT Director General Peter Sutherland and Germain A. Denis, chairman of the market-access negotiating group under the Uruguay Round.

Hata was originally scheduled to return home Tuesday. But Takemura hinted in Saturday's news conference at an earlier return by the foreign minister in time for the cabinet meeting that will decide on the partial opening of Japan's rice market.

Says Market Opening 'Unavoidable'

OW1112124193 Tokyo KYODO in English 1224 GMT
11 Dec 93

[Text] Geneva, Dec. 11 KYODO—Japanese deputy prime minister and Foreign Minister Tsutomu Hata said Saturday [11 December] the opening of Japan's rice market under the Uruguay Round trade negotiations is unavoidable.

Hata made the remark in an exclusive interview with KYODO NEWS SERVICE aboard a plane en route to Geneva to attend a meeting Saturday of quadrilateral trading partners—Canada, the European Community, the United States and Japan.

Hata said he will explain Japan's rice policy at the four-party negotiations. If Japan has to accept the partial opening of its rice market as a result of the negotiations, he will immediately report the development to Prime Minister Morihiro Hosokawa by telephone, Hata said.

A compromise proposal prepared by the Geneva-based General Agreement on Tariffs and Trade (GATT) allows Japan to adopt a minimum access formula on rice imports during a six-year grace period for transition to tariffication.

During the moratorium, Japan is required to increase its annual rice imports from a minimum of 4 to a maximum of 8 percent of its domestic consumption.

Hata said the government will frankly report to the Japanese people the process of the GATT-sponsored negotiations on the rice issue after the talks come to a successful close by the Wednesday deadline. He said the negotiations are moving forward toward agreement in line with the compromise proposal worked out by Germain Denis, chairman of the GATT's market access negotiating group, making it virtually impossible to seek a revision of the proposal in favor of Japan.

He said the quadrilateral trade talks will focus on anti-dumping provisions and liberalization of financial and service markets.

Hata stressed that a successful conclusion of the GATT negotiations is important for Japan, which benefits most from global free trade.

Hosokawa To Head Task Force on GATT Problems

OW1112084993 Tokyo KYODO in English 0807 GMT 11 Dec 93

[Text] Tokyo, Dec. 11 KYODO—Prime Minister Morihiro Hosokawa will head a task force to deal with farm problems arising from the successful conclusion of the Uruguay Round of world trade talks, government officials said Saturday [11 December]. The officials said the headquarters on countermeasures for the Uruguay Round will study measures to overcome the impact of the negotiations on domestic agriculture and local economies.

Agriculture Minister Eijiro Hata told a news conference Saturday the headquarters is designed to strengthen cooperation among government agencies to work out measures for the nation's agricultural, forestry and fisheries industries.

The government is expected soon to announce its decision to partially open Japan's rice market and tariffication on other farm and dairy products in accordance with an agreement at the world trade talks sponsored by the General Agreement on Tariffs and Trade (GATT).

Discussions at the task force will cover measures related to local problems as a whole, said a source in the Ministry of Agriculture, Forestry and Fisheries. The group will consist of representatives from ministries of agriculture, trade, environment and finance, the sources said.

Surplus Rice May Aid Developing Countries

OW1112090693 Tokyo KYODO in English 0753 GMT 11 Dec 93

[Text] Tokyo, Dec. 11 KYODO—The Agriculture, Forestry and Fisheries Ministry is studying on the possibility of using surplus rice for aid to developing countries in or after fiscal 1996, ministry sources said Saturday [11 December]. The sources said Japan is expected to hold surplus rice in stock after it introduces a minimum access formula for its rice market as agreed under the Uruguay Round of world trade talks.

The government of Prime Minister Morihiro Hosokawa is expected to announce a decision soon on whether to accept a compromise proposal for Japan to import from

4
to 8 percent of its annual rice consumption for a six-year period, starting in fiscal 1995. The government plan is likely to draw strong protests from agricultural organizations which oppose Japan's rice imports.

According to the Food Agency, rice held in government stock will total an estimated 1.3 million tons at the end of October 1996, up from about 650,000 tons the year before, because acreage reductions will be eased in fiscal 1994 and 1995 as a result of the poor harvest this year which was the lowest in the postwar period.

The weak output prompted the government to import more than one million tons of rice on an emergency basis to make up for supply shortages.

Under the minimum access formula, Japan is required to import 4 percent of its domestic consumption in the initial year of a six-year grace period before tariffication, with the ratio boosted annually to reach 8 percent in the final year.

Since Japan's annual rice consumption is estimated at 10 million tons, Japan's annual imports will increase from about 400,000 tons in fiscal 1995 to about 480,000 tons in fiscal 1996, causing a surplus in domestic supplies, the sources said.

Japan, however, is prohibited from diverting the entire amount of rice imports for aid to other countries under the General Agreement on Tariffs and Trade (GATT), a Geneva-based world organization regulating global trade, they said.

The ministry's study will also involve a possible increase in the volume of rice held in government stock, the sources said.

SDPJ Holds Extraordinary Session on Rice

OW1212113093 Tokyo NHK General Television Network in Japanese 1004 GMT 11 Dec 93

[Announcer-read report over video; from the "NHK News 7" program]

[Text] The Social Democratic Party of Japan [SDPJ] held an extraordinary session of the Central Executive Committee today to reaffirm its objection to the GATT compromise proposal [for opening the Japanese rice market]. During the session, SDPJ cabinet members agreed to leave the question of their pullout from the Hosokawa cabinet to the SDPJ leadership.

Speaking at the session, Chairman Murayama said: It appears that some of our Dietmen elected in rural constituencies are asserting that if our party accepts the GATT compromise proposal, they would respond to the acceptance with firm resolve. Nevertheless, our party has not changed its policy on the rice issue and I hope they will refrain from taking any drastic actions. In this way, Chairman Murayama confirmed anew that the SDPJ is still opposed to the GATT compromise proposal.

At the session, Secretary General Wataru Kubo of the SDPJ said: "If our party sticks to its policy of opposing the GATT compromise proposal, this will inevitably raise the question of how our party should deal with cabinet members from our party. In this way, Mr. Kubo

suggested that the SDPJ's way of handling the GATT compromise proposal could lead to a review of the relationship between the SDPJ and the coalition government.

Postpones Decision on Rice

*OW1112045293 Tokyo KYODO in English 1304 GMT
11 Dec 93*

[Text] Tokyo, Dec. 11 KYODO—The Social Democratic Party (SDP) confirmed Saturday [11 December] that it will postpone a decision on whether to agree to open the domestic rice market until Foreign Minister Tsutomu Hata returns Tuesday from last-minute talks in Geneva.

The SDP, the largest among the seven parties in the ruling coalition, gave the confirmation at an extraordinary meeting of its Central Executive Committee. But the committee members also decided to prepare for a possible decision on Monday by the government to accept a proposal to partially open rice markets.

In a related development, Agriculture, Forestry and Fisheries Minister Eijiro Hata said at a meeting of Prime Minister Morihiro Hosokawa's cabinet that the coalition government wants to make a decision on the rice issue within Sunday.

Japan has been under pressure to accept the rice proposal, which is crucial to settling the Uruguay Round of global trade talks under the General Agreement on Tariffs and Trade (GATT) before the December 15 deadline.

The government had been expected to make a final decision on the rice issue as early as Saturday, but instead sent Foreign Minister Hata to Geneva Friday night in a final attempt to gain concessions and is likely to delay a decision until his talks with chief GATT member nations end.

SDP Chairman Tomiichi Murayama showed discontent with the Hosokawa cabinet for failure to inform the party that it had canceled a meeting of coalition party leaders on Friday night.

Murayama, who visited the premier's official residence without knowing about the cancellation, told reporters, "Such treatment should not be repeated."

The GATT proposal, applicable also to South Korea, would exempt Japan's rice market from tariffication for a period of six years in return for opening its market to imports equivalent to 4 to 8% of its annual rice consumption.

The SDP, however, is opposed to this "minimum access" formula, saying that it would eventually lead to the opening of the rice market.

Reiterates Rejection of Proposal

*OW1212053193 Tokyo KYODO in English 0510 GMT
12 Dec 93*

[Text] Tokyo, Dec. 12 KYODO—Wataru Kubo, secretary general of the Social Democratic Party (SDP), on Sunday [12 December] reiterated that the SDP would not accept a GATT proposal on Japan's rice imports even though the government agrees to it. But Kubo, appearing on a commercial television debate program, showed caution about leaving the seven-party coalition government when the government formally announces that it will accept the GATT proposal exempting Japan's rice market from tariffication for six years.

Under the proposal, Japan would import a rice equivalent of 4 to 8 percent of its annual rice consumption during the six-year grace period.

The government of Prime Minister Morihiro Hosokawa is widely expected to formally announce the acceptance of the rice proposal on Monday to facilitate the settlement of the Uruguay Round of global trade talks under the General Agreement on Tariffs and Trade before the Wednesday's deadline.

On Saturday, the SDP, the largest force in the coalition, confirmed that it will postpone its decision on whether to agree to the proposal until Foreign Minister Tsutomu Hata returns Tuesday from Geneva.

"We will have no choice but to follow the government decision (to accept the proposal) in view of SDP's responsibility for Japanese politics," Kubo said.

Government Reaches Decision on Rice 'Timetable'

*OW1212125793 Tokyo KYODO in English 1244 GMT
12 Dec 93*

[Text] Tokyo, Dec. 12 KYODO—Japan will declare a partial opening of its rice market Monday [13 November], just two days before the scheduled conclusion of the Uruguay Round of talks for freer global trade, government officials said Sunday.

The government reached the decision on the timetable following talks Sunday between Prime Minister Morihiro Hosokawa and Chief Cabinet Secretary Masayoshi Takemura.

Takemura met Sunday with leaders of the Social Democratic Party (SDP), the largest of the seven parties in the ruling coalition, and urged them to agree to the timetable, the officials said.

Foreign Minister Tsutomu Hata, who hastily visited Geneva, will return home Monday morning and immediately brief Hosokawa on the outcome of his visit, the officials said.

Leaders of the government and ruling coalition parties will meet in the evening before the cabinet convenes an extraordinary session to decide Japan's final response to

the General Agreement on Tariffs and Trade (GATT) proposal offered by Germain Denis, market-access negotiating group chairman of the GATT.

Hata flew to Geneva in a last-ditch effort to pull concessions from the global trade organization on the rice row, partly in response to calls from the main opposition Liberal Democratic Party (LDP) and from within the ruling coalition. But he could not bring any change to the proposal, leaving Japan no room for further negotiations on the rice issue, the officials said.

In Geneva, the foreign minister told reporters Japan "must make a realistic response to help achieve a successful conclusion to the round."

After the cabinet makes a decision on the opening of the rice market, Hosokawa will hold a news conference and issue a statement appealing for support from the Japanese people on the decision, the officials said.

In a meeting Sunday with SDP Chairman Tomiichi Murayama and SDP Secretary General Wataru Kubo, chief government spokesman Takemura proposed the government's intention to set Monday as the final day to conclude the rice issue, they said. The SDP, which includes many legislators from rural constituencies, has strongly opposed the partial opening of Japan's long-closed rice market.

The SDP is scheduled to hold a session of its leadership body, the Central Executive Committee, Monday afternoon to decide the party's final position on whether to agree to the proposal, party officials said.

The GATT proposal gives Japan six years beginning in 1995 to replace its blanket ban on rice imports with tariffs. However, the proposal also requires Japan to import foreign-grown rice by an amount equivalent to 4 percent of its annual consumption in the initial year and to increase imports to 8 percent by 2000, the final year of the six-year grace period.

The GATT proposal also binds Japan to take "additional measures" if the country continues to refuse tariffication beyond the sixth year.

Hosokawa's coalition government initially planned to declare acceptance of the GATT proposal Friday and then Saturday. But the cabinet put off its decision beyond the weekend in the face of outbursts from the SDP and the opposition LDP. The LDP, which was ousted from power last August, also includes many members from rural Japan.

The government decision to dispatch Hata caused a schism among the seven-party alliance, provoking protests from Shinseito (Japan Renewal Party) and Komeito [Clean Government Party], the second- and the third-largest parties in the coalition.

Shinseito and Komeito said the government sent the foreign minister after talks with the LDP and failed to inform coalition partners of Hata's visit beforehand.

The SDP's Kubo said on a TV Asahi talk show Sunday that his party would not accept the GATT proposal even if the government agrees to it.

Kubo, however, was cautious about the SDP's possible departure from the coalition, saying, "we will have no choice but to follow the government decision (to accept the proposal) from an overall judgment ranging from its responsibility for the country's politics, political reform and to economic policy."

Along with a European Community-U.S. ruckus over agricultural subsidies, Japan's objection to allowing foreign rice growers access to its rice market has been one of the stumbling blocks to a successful completion of the seven-year-old Uruguay Round.

The Uruguay Round, launched in 1986 in Punta del Este, Uruguay, is aimed at establishing new international trade rules and boosting the world economy.

Japan has maintained a de facto self-sufficiency in rice over decades on grounds that it is vital to the country's security and it is already the world's largest importer of farm products.

First Shipment of California Rice Arrives

*OW1312034093 Tokyo KYODO in English 0223 GMT
13 Dec 93*

[Text] Kobe, Dec. 13 KYODO—The first shipment of table rice from California, part of the Japanese Government's plans to cover the shortfall in this year's rice harvest, arrived Monday [13 December] morning in Kobe Port. The 7,560-ton shipment arrived on the Liberian-registered freighter Koala.

The shipment was originally part of 200,000 tons of rice imports scheduled to be used in processed foods, but with the high demand for rice as the main item for meals, the government decided to use the shipment as rice for the table. It is expected to go on sale in February next year.

A total of 90,000 tons of rice imports for meals are scheduled.

The Koala left Sacramento on November 26 and arrived in Kobe around 7:30 A.M. Quarantine officials will take samples of the rice, then unloading is scheduled to begin.

Japanese rice farmers opposed to the liberalization of the rice market are planning a protest march in Kobe on Monday.

Government Making 'Final Coordination' on Rice

*OW1212124693 Tokyo NHK General Television
Network in Japanese 1005 GMT 12 Dec 93*

[Announcer-read report; from the "NHK News 7" program]

[Text] With Foreign Minister Hata set to return to Japan tomorrow morning, Chief Cabinet Secretary Takemura asked today Chairman Murayama of the ruling Social Democratic Party of Japan [SDPJ] to cooperate with the coalition government. The government is now making a final coordination of views on the GATT compromise proposal calling for a partial opening of the Japanese rice market with the intention of announcing tomorrow Japan's acceptance of the GATT proposal.

Prime Minister Hosokawa met this afternoon with Chief Cabinet Secretary Takemura to exchange views on how to deal with the GATT compromise proposal. After the meeting, Chief Cabinet Secretary Takemura made it clear that they had discussed ways to deal with the GATT compromise proposal based on reports from Foreign Minister Hata in Geneva.

Chief Cabinet Secretary Takemura also met with SDPJ Chairman Murayama after meeting with the prime minister. At the meeting, Mr. Takemura told Mr. Murayama that Foreign Minister Hata would return to Japan tomorrow morning and then asked Mr. Murayama to cooperate with the coalition government in dealing with the GATT compromise proposal. In response, Chairman Murayama said: Our party will hold a session of the Central Executive Committee tomorrow afternoon to make a final discussion on how to deal with the GATT compromise proposal after receiving a debriefing from Foreign Minister Hata. Accepting the GATT compromise proposal is a sticky issue. In this way, he indicated that the SDPJ would make a final decision on the issue tomorrow.

Japan, the United States, Canada, and the EC held ministerial talks in Geneva and Foreign Minister Hata told reporters after the talks: If we fail to seize this opportunity, we will be unable to make the Uruguay Round a success. In this way, he indicated anew that Japan has no choice but to accept the GATT compromise proposal.

The government is now making a final coordination of views with the intention of announcing the acceptance of the GATT compromise proposal tomorrow—a date when a deadline for the presentation of country-by-country lists to GATT expires. If the government intends to formally announce the acceptance of the GATT compromise proposal, Prime Minister Hosokawa will hold a news conference tomorrow afternoon or evening after his cabinet holds a session to decide on the acceptance of the GATT compromise proposal.

Hata: Acceptance of GATT Proposal Necessary

*OW1312045993 Tokyo KYODO in English 0439 GMT
13 Dec 93*

[Text] Tokyo, Dec. 13 KYODO—Japan needs to immediately accept a GATT proposal calling for partially opening the country's rice market to imports to help conclude the Uruguay Round of global trade talks.

Foreign Minister Tsutomu Hata said Monday [13 December] upon his return from Geneva.

Hata, concurrently deputy prime minister, said "if (GATT members) fail to wrap up the Round, the world economy would run into difficulties." It was brought home to him that negotiators feel they must finalize the round at any cost, Hata said.

Hata hastily flew to GATT headquarters in Switzerland over the weekend in a last-ditch effort to pull concessions on the proposal offered by Germain Denis, the Market-Access Negotiating Group's chairman of the General Agreement on Tariffs and Trade (GATT).

He attended a meeting of quadrilateral trade partners—Canada, the European Community, the United States and Japan—aimed at resolving the issues outstanding in the Uruguay Round by Wednesday's deadline.

The foreign minister also met separately with GATT Chief Peter Sutherland, U.S. Trade Representative Mickey Kantor and EC Trade Commissioner Leon Brittan.

Hata's journey, however, brought no change to the initial proposal. He suggested in a press conference in Geneva that Japan has no choice but to accept the GATT offer.

"Negotiations are generally drawing to a conclusion and it is difficult to make exceptions," Hata said as he arrived back at Tokyo's Haneda Airport.

"We must have a resolution to decide on accepting the GATT proposal even as Japan faces a big turning point in a difficult situation," he said.

Hata also urged the Social Democratic Party (SDP), the largest group in the ruling coalition, to agree to the rice proposal.

The SDP has strongly opposed the idea, along with the opposition Liberal Democratic Party (LDP) which has many legislators from farming districts.

The GATT formula could exempt Japan from tariffication in exchange for importing a minimum rate of 4 percent of its annual rice consumption in 1995, with the amount boosted to 8 percent in 2000, the final year of the six-year grace period.

It also binds Japan to take "additional measures" if the country continues to refuse to replace its blanket ban on rice imports with full tariffication after the grace period.

Japan's objection to opening the rice market has been one of the stumbling blocks to a successful completion of the seven-year-old global trade talks.

The Uruguay Round, launched in 1986 in Punta del Este, Uruguay, is aimed at establishing new international trade rules and boosting the world economy.

Addresses Diet on Draft Proposal

OW1312141693 Tokyo NHK General Television Network in Japanese 1011 GMT 13 Dec 93

[Text] At the Diet upper house Budget Committee meeting held this morning, Foreign Minister Tsutomu Hata, speaking on the issue of extending the moratorium on rice tariffication after the sixth year, indicated that consideration would be given to importing nations regarding so-called food security and other nontrade matters during subsequent negotiations.

Concerning the results of his talks with GATT officials, Hata said that during talks in Geneva on GATT's draft proposal calling for a six-year moratorium on rice tariffication, he was able to obtain the understanding of GATT member nations which agreed that the expiration of a six-year grace period would not mean an immediate enforcement of rice tariffication. He said that nations also agreed to renegotiate, taking into consideration such matters as so-called food security and the role rice paddies play in helping preserve the environment. He added that he believed such points would be added to GATT's final draft agreement in written form.

Foreign Minister Hata thus indicated that during negotiations which may be held after the sixth year, consideration would be given to importing nations regarding so-called food security and other nontrade matters.

Firm Wanting To Import U.S. Sushi 'Bankrupt'

OW1312114593 Tokyo KYODO in English 1130 GMT 13 Dec 93

[Text] Osaka, Dec. 13 KYODO—A Japanese restaurant chain operator which made headlines by planning to import frozen sushi from the United States has been declared bankrupt with debts totaling 4.24 billion yen. The Osaka District Court handed down the ruling in response to a request from the Osaka-based company, Sushi Boy.

Court officials said a first meeting of 256 creditors has been set for March 17 next year to decide how the assets will be shared out.

The company stirred controversy last year when it applied to the government for permission to import frozen sushi prepared in California for sale in Japan. The plan was seen as going against Japan's ban on rice imports.

Sushi is a traditional Japanese dish featuring raw fish on top of rolled rice. The company, formerly a realtor, switched to develop a sushi restaurant chain in 1983 and operated a nationwide network of about 80 stores in 1990.

Sushi Boy sought court protection from creditors in November when it failed to honor bills.

Dealer Defies Controls To Buy Thai Rice

OW1312133793 Tokyo KYODO in English 1243 GMT 13 Dec 93

[Text] Toyama, Dec. 13 KYODO—A maverick rice dealer who has defied government controls on the staple food said Monday [13 December] he has purchased three tons of Thai rice the government imported.

Isonobu Kawasaki, who openly advertises his wares as "black market rice," said, "I bought three tons of Thai-grown rice from a proper rice dealer in the Kanto region, which was imported as (the government) emergency measures." He said he plans to sell the Thai rice in Tokyo.

Kawasaki, 57, said he bought the Thai rice for 15,000 yen per 60-kilogram bale, adding he will take delivery of the bales around Thursday and will sell them at the weekend. Kawasaki was indicted in March on charges of violating the Foods Control Law, which allows only the government to purchase and sell rice.

The three tons bought by Kawasaki is part of 7,000 tons of Thai rice imported November 15 as the first of the emergency shipments from abroad.

'Sources' on Lower Import Tariffs on Beef

OW1312042793 Tokyo KYODO in English 0324 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—The Farm Ministry plans to gradually reduce import tariffs on beef to the mid-30 percent level over six years starting in April 1995 from the current 50 percent, ministry sources said Monday [13 December]. The United States has asked Japan to lower the tariffs to at least around 32 percent.

The sources said the Agriculture, Forestry and Fisheries Ministry will negotiate with the United States on Monday in Geneva to reach a final agreement.

The Japanese ministry will also negotiate easing the conditions for taking so-called "safeguard steps" to counter a sudden increase in imports of a certain product, the sources said.

Currently, safeguard protection measures are allowed when the import of a product rises more than 20 percent over the year-earlier level, and it is virtually impossible to take such a step, they said.

Orange Juice Import Tariffs To Be Reduced

OW1312042693 Tokyo KYODO in English 0345 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—The Ministry of Agriculture, Forestry, and Fisheries has decided to lower the import tariffs on orange juice to 15 percent from the current 25-35 percent over six years starting in April 1995, ministry sources said Monday [13 December].

The country's orange juice market was liberalized in fiscal 1992 in line with a Japan-U.S. agreement. The agreement also led to the opening of the orange market in fiscal 1991.

U.S. Timber Trade Tariffs Proposal Viewed

*OW1112103393 Tokyo KYODO in English 1019 GMT
11 Dec 93*

[Text] Tokyo, Dec. 11 KYODO—Japan will ask the United States to reconsider its proposal for mutual abolition of tariffs on timber trade in 10 years, government sources said Saturday [11 December].

The proposal calls for both sides to cut tariffs on forest products by an average 50 percent in five years and totally remove them five years later, the sources said. The sources said the proposal will deal a heavy blow to the Japanese forestry industry, which is smaller in scale than its U.S. counterpart.

Japan currently imposes single-digit tariff rates on imports of forest products, except those on plywood which range from 10 to 15 percent, the sources said.

The U.S. plan was not incorporated in a proposal put forward by the General Agreement on Tariffs and Trade to wrap up the Uruguay Round of world trade negotiations successfully by the deadline set for Wednesday. The scheme is expected to affect negotiations for reduction of tariffs on mining and industrial products under the Uruguay Round, the sources said.

Okinawan Governor Ota Complains About U.S.

*OW1312082693 Tokyo KYODO in English 0757 GMT
13 Dec 93*

[Text] Tokyo, Dec. 13 KYODO—Okinawan Gov. Masahide Ota said Monday [13 December] Okinawans are disappointed that U.S. military bases in their prefecture have not been curtailed following the Cold War, and regard the explanation of a North Korean threat as propaganda.

"First (the U.S. Armed Forces) say we would have to contain the spread of Communism, then next they say we have to maintain peace and stability in the Far East, and after the Cold War days you have lots of regional conflicts," Ota said at the Foreign Correspondents Club of Japan.

Okinawans "feel that this kind of propaganda thing is not real... They do not have any fear that any other nation is going to attack Okinawa," said Ota. He added that Okinawans were told during World War II that American soldiers were "monsters" who would kill civilians, but under the U.S. military occupation the local people thought that the Americans "were so kind and saved the Okinawan people's lives."

Ota also cited the reluctance of other prefectures to host military bases as an obstacle to scaling back some of the facilities, which occupy 20 percent of the land on the main island of Okinawa.

"If the (Japan-U.S.) Security Treaty is so vital for the security of Asia and relations between Japan and the United States, Japan as a whole and not only Okinawa must share in the burdens of providing land for American military bases," he said.

Some 50,000 U.S. military personnel and their dependents and three-quarters of U.S. military installations in Japan are located in Okinawa Prefecture, the only part of Japan to experience land war during World War II.

Since Okinawa was returned to Japanese administration in 1972, Okinawans have campaigned for removal of the bases, which they say have impeded economic growth and pose a danger and annoyance due to military accidents and noise pollution from aircraft.

EC Request To Join Chip Trade Pact Viewed

*OW1312004593 Tokyo KYODO in English 2320 GMT
12 Dec 93*

[Text] Geneva, Dec. 12 KYODO—The European Community (EC) has been demanding Japan let it join the bilateral Japan-U.S. Semiconductor Trade Pact, trade sources said Sunday [12 December]. Japan is expected to reject the EC request, made at the Uruguay Round of multilateral trade talks under way here.

The sources said the 12-nation trading bloc has already received approval from the United States.

Under the chip agreement, which originally took effect in 1986, the two countries agreed to a target of 20 percent market share in Japan for foreign-made chips. The current pact, renewed in 1991, is due to expire in 1996.

The EC has criticized the bilateral deal, arguing it will benefit only Washington, but the sources said it has decided to take advantage of the agreement rather than continuing with its objections.

Russian Opposition Leader Denies Isles Dispute

*OW1312094093 Tokyo KYODO in English 0836 GMT
13 Dec 93*

[Text] Moscow, Dec. 13 KYODO—The leader of the Russian ultranationalist Liberal Democratic Party denied Monday [13 November] that there is any territorial dispute between Japan and Russia.

Vladimir Zhirinovskiy, whose party made a strong showing in Sunday's general elections partly outstripping the pro-Yeltsin Russia's Choice, told KYODO NEWS SERVICE that Russia will never negotiate ceding Russian territory either to Japan or other countries.

Japan claims four isles—Shikotan, Etorofu, Kunashiri, and the Habomai group of islets—off its northernmost main island of Hokkaido, which were seized by the former Soviet Union at the end of World War II.

In addition Zhironovskiy, who has vowed to run against Yeltsin in an upcoming presidential election in 1996, did not rule out expanding Russian territory at the expense of other successor states of the former Soviet Union. "The Chishima Islands (which include the four disputed isles) is Russian territory, the Sea of Okhotsk is a Russian inland sea," said Zhironovskiy in outlining the scope of Russian fishing grounds.

"Foreign fishing boats should not intrude, so that the marine products can be used to improve Russian life," he said. However, the party leader stressed that Russia wants to maintain friendly relations with its Asian neighbors such as Japan, China and India.

ROK Police Agree To Consider Regular Meetings

OW1312062093 Tokyo KYODO in English 0549 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—Police from Japan and South Korea agreed over the weekend to consider regular meetings to discuss the issue of South Korean pickpockets in Japan, officials of the National Police Agency [NPA] said Monday [13 December].

Seisaku Taniguchi, head of the NPA's Division for International Criminal Affairs, with three other Japanese police officials met with South Korean authorities over the weekend to exchange information on the increase of South Korean pickpocket gangs in Japan.

The Japanese police provided pictures of 111 alleged South Korean pickpockets arrested in Japan in the last four years.

The Japanese officials asked their South Korean counterparts to enforce checks against suspected pickpockets for fake passports and tear gas spray the gang members often carry. The Japanese police also asked the South Korean authorities to punish pickpockets who have been deported from Japan.

South Korean authorities requested the Japanese submit the necessary documents required by South Korean law.

A crackdown on crime in recent years in South Korea has been accompanied by an increase in South Korean pickpockets operating in Japan.

Thirty-two South Koreans have been arrested for theft through October of this year and in November a South Korean was shot and wounded by a police officer when he brandished a knife in an attempt to avoid arrest.

Burmese Dissidents Hold Tokyo Charity Concert

OW1212122093 Tokyo KYODO in English 1053 GMT 12 Dec 93

[Text] Tokyo, Dec. 12 KYODO—Myanmar [Burma] dissidents held a charity concert in Tokyo on Sunday [12 December] to mark the second anniversary of the 1991 Nobel Peace Prize being awarded to opposition leader Aung San Suu Kyi.

Amnesty International-Japan and the National Network for Burmese Concerns cosponsored the concert in a Tokyo town hall. The network is comprised of a number of civic groups.

The proceeds will be used for Myanmar's democratic cause and to help Myanmar refugees along the country's border areas, organizers said.

In a message to the charity concert, Satsuki Eda, state minister for science and technology and head of the United Social Democratic Party, said he will do his best to see Aung San Suu Kyi and all the Myanmar people enjoy human rights.

Shokei Arai, a Liberal Democratic Party member in the House of Representatives, also sent a message to the concert.

Aung San Suu Kyi, leader of the National League for Democracy (NLD), has been under house arrest since 1989. The NLD won a landslide victory in the 1991 general elections but was denied the power to lead the government.

The ruling state law and order restoration council banned Aung San Suu Kyi from leaving the country to attend the Nobel Prize Award ceremony in Oslo and her son accepted on her behalf.

Akashi: Bosnia Dispute Cannot Be Ignored

OW1112045593 Tokyo KYODO in English 0415 GMT 11 Dec 93

[Text] Zagreb, Croatia, Dec. 11 KYODO—The fighting in the former Yugoslavia is not a distant dispute Japan can ignore, United Nations special representative Yasushi Akashi said Friday [10 December].

Akashi from Japan told a press conference in the Croatian capital of Zagreb that the fighting should not be treated by Japan as "a fire on the other side of the river." The comment, in the context of questioning on the situation in troubled Bosnia-Herzegovina, was apparently aimed at indicating he would welcome Japanese assistance in terms of personnel and supplies for the U.N. protective force in the region.

Akashi also indicated concern over allegations of a breakdown of discipline among some members of the U.N. force who are reportedly deriving an income from smuggling and transporting refugees.

"It will be up to the countries dispatching the soldiers, but there will be people punished," Akashi said.

Asked whether a protective force should respond with force if obstructed by parties to the dispute while engaged in relief operations, Akashi declined comment, saying the issue is still under debate at the United Nations.

The U.N. Protective Force in the former Yugoslavia (UNPROFOR) was set up in 1992. Its duties include escorting relief supplies in Bosnia-Herzegovina.

Akashi also revealed that six Japanese are participating in the force in the Bosnia-Herzegovina capital of Sarajevo. He said the Japanese are part of a French Foreign Legion contingent stationed at the city's airport and that he had met one of them, adding that the man is not a former member of Japan's Self-Defense Forces.

Akashi said U.N. operations are running over budget in the region, but added that he has "some ideas" he wants to discuss with U.N. Secretary General Butrus Butrus-Ghali.

Rescue Team Planned to Malaysian Collapse Site

*OW1312042493 Tokyo KYODO in English 0349 GMT
13 Dec 93*

[Text] Tokyo, Dec. 13 KYODO—Japan will send an international emergency assistance team to Malaysia to help in the search for more than 50 people feared buried under a 12-story condominium block which collapsed Saturday, the Foreign Ministry said Monday [13 December].

The government will send the 24-member team, comprising officials of the Foreign Ministry, the National Police Agency and the Fire Defense Agency, through the Japan International Cooperation Agency (JICA), the ministry said.

The team will be sent at the request of the Malaysian Government, it said.

Rescue work has been hampered by a lack of special equipment and expertise, in addition to the danger that two other condominium blocks nearby could also topple due to ground instability.

'Fierce Battle' Expected Over Diet's Extension

*OW1112110393 Tokyo KYODO in English 1038 GMT
11 Dec 93*

[Text] Tokyo, Dec. 11 KYODO—The ruling coalition will wage a fierce battle with opposition parties early next week over a possible extension of the current Diet session beyond its scheduled close on Wednesday [15 December], political sources said Saturday.

The seven-party coalition headed by Prime Minister Morihiro Hosokawa plans to propose possibly on

Tuesday extending the sitting until late January in order to get its political reform bills passed through the Diet.

Hosokawa has staked his political future on passage by year's end of the bills aimed at rooting out the corruption endemic in Japanese public life.

Although the reform package cleared the House of Representatives in mid-November, deliberations in the House of Councillors have since made little progress because of a host of immediate challenges facing the Hosokawa government. They include the stagnant Japanese economy and the Uruguay Round of global trade negotiations.

The second supplementary budget for fiscal 1993 has dominated Diet discussion to help the nation overcome the worst postwar economic slump and its deliberation will continue into the deadline of the current 90-day extra Diet session.

With no time left for debate on political reform by Wednesday, the ruling coalition will have to opt for a lengthy extension of the Diet session as upper house discussion on the reform legislation will take about a month.

Many coalition sources believe Hosokawa will not have to take political responsibility if he succeeds in getting the reform package onto the statute books during the current Diet session.

However, the opposition camp, which objects to the government reform package, will resist the anticipated proposal from the coalition for an extension of the Diet session until late January.

Customarily, all Diet deliberations are suspended when the extension of a Diet session is proposed.

But the main opposition Liberal Democratic Party (LDP) is determined to continue upper house debate on the 708.72 billion yen special budget and seek its enactment by the scheduled Diet session close if the proposal is made, says Tomio Yamamoto, LDP secretary general in the upper house.

The LDP move would deprive the coalition of an excuse for extending the Diet sitting.

The LDP, toppled from government in August after 38 years of unbroken rule, will also oppose the expected government proposal for an extended session by threatening to submit a no confidence motion against the Hosokawa cabinet for its policy on rice trade, party sources say.

Hosokawa will shortly announce a government decision to shift a long-standing policy of maintaining self-sufficiency in Japan's rice supply and partially open the nation's heavily protected rice market to foreign competition.

Meanwhile, lower house speaker Takako Doi is passive about a lengthy Diet extension without substantial deliberations by the upper house committee on political reform, according to sources close to the former chairman of the Social Democratic Party (SDP).

It is not certain that the coalition is united in seeking a longer Diet sitting.

At a meeting Saturday morning of the SDP's decision-making central executive committee, SDP Vice Chairman Shun Oide took a dim view of a lengthy extension of the current Diet session, party sources say.

Government Plans To Sue 'Major' Printing Firms

OW1112134993 Tokyo KYODO in English 1323 GMT 11 Dec 93

[Text] Tokyo, Dec. 11 KYODO—A government agency will soon file a lawsuit against three major printing firms, demanding the return of some 1.5 billion yen it claims the firms got in a bid-rigging scheme on making pension notification stickers, sources said Saturday [11 December].

The Social Insurance Agency, affiliated with the Health and Welfare Ministry, will file the suit against leading printers Dai Nippon Printing Co., Toppan Moore Co.—a subsidiary of Toppan Printing Co.—and Kobayashi Kirokushi, sources close to the agency said. The first two firms are Tokyo-based and Kobayashi Kirokushi is located in Aichi Prefecture, central Japan.

The agency decided to take the legal action because the three firms had repeatedly rejected the agency's request to return the money, they said. The three companies are now on trial on charges of colluding to hike bid prices on government contracts to manufacture the stickers, which are designed to prevent the personal information of pension recipients from being seen by others.

The stickers are pasted on postcards forwarded to pensioners from the agency.

The agency said that the printers had conspired on many occasions to decide successful bidders on the contracts during the four years since 1989 and had set bid prices at more than 9 yen per sticker, far above the appropriate prices of 6.5-6.6 yen.

The 1.5 billion yen demanded by the agency is the difference between the bids carried out following the firms' collusion and those which were to be conducted based on reasonable prices, the sources said. The agency recognized the amount as profits unduly obtained by the printers in the series of bid-rigging, they said.

The three companies have admitted to the charges during court hearings but have appealed a Fair Trade Commission (FTC) order in September that they pay a total of 170 million yen in penalties for the bid-rigging scheme, other sources said.

FTC officials said that the firms took a total of 2 billion yen in illicit profits from sales that amounted to 6.1 billion yen.

Coalition Parties Launch Tax Reform Study

OW1312162693 Tokyo KYODO in English 1156 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—Parties in the ruling coalition launched a study Monday on tax reforms to be implemented in fiscal 1994, starting next April 1, including income tax cuts, officials said. They said the study will also cover a possible increase in the rate of the consumption tax, now 3.0 percent, and a cut in the inheritance tax.

Other points to be discussed will be a review of special tax breaks and an easing of levies on gains from real estate transactions, they said.

A policy-making group formed by the eight parties in the ruling coalition will decide on tax reforms in consultation with the Finance Ministry and other ministries, the officials said. Mamoru Nakajima, head of the group, said the outline of tax reforms must be laid down by December 24 if the fiscal 1994 budget is formulated by the end of this year.

Panel Agrees on Need for Early Tax Reductions

OW1312043193 Tokyo KYODO in English 0304 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—A private advisory panel to Prime Minister Morihiro Hosokawa will recommend early income tax cuts to breathe life into the ailing Japanese economy, the acting group chairman said Monday [13 December].

Members of the Advisory Group for Economic Restructuring agreed on the need for the government to implement income tax cuts as early as possible ahead of a proposed hike of the 3 percent consumption tax, said Isamu Miyazaki, chairman of the Daiwa Institute of Research Ltd. But they also agreed that they will not specify the scale of the necessary income tax cuts as the government and the ruling coalition are already working on a compilation of pump-priming measures, Miyazaki said at a news conference.

The panel, headed by Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), will offer the recommendation in its final report to the prime minister on Thursday.

The group, asked to examine ways to restructure the Japanese economy, will also recommend the implementation of scheduled public works projects to help spur economic recovery, Miyazaki said.

The easing of economically restrictive government regulations and the promotion of land transactions will also

be included as key to economic stimulus measures to be proposed in the final report, he said.

Finance Ministry Denies Considering 3d Budget

OW1312095193 Tokyo KYODO in English 0848 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—Vice Finance Minister Jiro Saito denied Monday [13 December] that his ministry is considering compiling a third supplementary budget for fiscal 1993.

The second extra budget for the current year is now under Diet deliberation and it is too early to comment on the issue, Saito told a press conference.

An early enactment of the second extra budget would be the most effective way of helping revive the ailing Japanese economy, he said.

Saito refrained from commenting on whether or not the government will adopt a new set of pump-priming measures after the second extra budget's Diet approval.

The government will focus for the time being on implementing measures already agreed on, including liquidation of land deals and accommodative lending to smaller companies to meet their year-end fund demand, Saito said.

Hiraiwa on Use of Public Money To Clear Debts

OW1312105193 Tokyo KYODO in English 1005 GMT 13 Dec 93

[Text] Tokyo, Dec. 13 KYODO—Public funds should be used to help banks get rid of their real-estate related bad debts, a prominent business leader suggested Monday [13 December]. "For one thing, now seems to be the time for the government to consider buying up land," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren).

Hiraiwa told reporters that the serious economic downturn is tied to a slump in land transactions that has kept banks from dealing with their real estate held as collateral for bad loans.

"The problem with the financial system is behind the seriousness of the economic slump. There is need for the government and the Bank of Japan to take some measures, including promoting mergers," he said.

Hiraiwa, who chairs an advisory panel to the prime minister on economic reforms, said his panel's report to be issued later this month will include a proposal for making land transactions easier.

Besides Hiraiwa, Takeshi Nagano, president of the Federation of Employers Associations, has supported the idea of using public money for dealing with the bad loan problem.

North Korea

Foreign Ministry on U.S.-ROK 'Bargaining'

SK1312105493 Pyongyang KCNA in English 1041 GMT 13 Dec 93

[Text] Pyongyang, December 13 (KCNA)—A spokesman for the DPRK Foreign Ministry issued a statement today in connection with the fact that recently the United States has become all the more undisguised in its political bargaining with the South Korean authorities over the fictitious "nuclear problem" of the DPRK.

During his recent "talks" with the South Korean chief executive in the United States, the U.S. President forced him to open the rice market in return for guaranteeing a "cooperation system" involving the South Korean authorities in the DPRK's "nuclear problem". Earlier, at an "annual Security Consultative Meeting" in Seoul, the U.S. defense secretary "shelved" the plan of two-phased U.S. troop pullout from South Korea on the plea of "suspicion of nuclear development" by the DPRK and urged South Korea to pay more for the maintenance of the U.S. Forces stationed in South Korea.

This shows that the United States is using the "nuclear issue" to gratify its sinister aims according to its policy hostile to the DPRK and in its strategic interests, the spokesman said, and went on:

South Korean people and the world public are raising their voice of protest and denunciation against the U.S. and South Korean authorities' unreasonable dealing over the "nuclear problem".

As we have made clear several times and the world recognizes, the nuclear problem of the Korean peninsula is a matter which should be settled between the DPRK and the United States and in which no others should meddle. Furthermore, the "nuclear problem" cannot be a matter to be used by the United States as a political bait or a "condition of exchange" in dealing with the South Korean authorities who take no account of the interests of their nation.

The real purpose of the United States in dragging on the "nuclear problem" has become clearer with the passage of the time.

From the beginning, the United States has been indifferent to the fundamental settlement of the nuclear issue on the Korean peninsula and has used the DPRK's "nuclear problem" as means for killing two birds with one stone.

All the facts irrefutably prove that in the period of the cold war, the United States spread a groundless rumor about "threat from the North" in a bid to turn South Korea into a nuclear forward base after bringing nuclear weapons and other mass destruction weapons into South Korea and now when the cold war has been terminated, it invented the fiction of the "nuclear problem" in an attempt to isolate and stifle the DPRK and, at the same

time, draw water to its mill by making a pretext of the U.S. Forces' permanent occupation of South Korea and, further, keeping the South Korean rice market open.

We can no longer remain an onlooker to the situation when the United States is abusing our "nuclear problem" to attain its mucky political aim, abandoning the spirit agreed upon at the DPRK-U.S. talks.

The United States must immediately stop abusing the "nuclear problem" as a political bargaining chip or bartering it for another, and the South Korean authorities must stop the flunkeyist, treacherous act of sacrificing the peasants and trying to stifle the fellow countrymen, acting at the beck and call of the United States.

If the United States intends to continue using our "nuclear problem" to attain its strategic aim, the situation will become all the more serious, and it will be held responsible for all the consequences arising therefrom.

Radio Carries Spokesman's Statement

*SK1312125193 Pyongyang Korean Central
Broadcasting Network in Korean 1214 GMT 13 Dec 93*

[Statement issued by a spokesman of the Foreign Ministry in Pyongyang on 13 December—read by announcer]

[Text] The United States has recently and openly committed political bargaining with the South Korean authorities regarding our fictitious nuclear issue.

According to reports from foreign papers, during the recent talks in the United States, the U.S. President forced the South Korean chief executive to open the rice market in return for guaranteeing a cooperation system involving the South Korean authorities in the DPRK nuclear problem.

Earlier, at an annual Security Consultative Meeting in Seoul, the U.S. defense secretary shelved [boryu] the plan of the two-phased U.S. troop pullout from South Korea using the suspicion of nuclear development by the DPRK and urged South Korea to pay more for the maintenance of the U.S. Forces stationed in South Korea.

This shows that the United States is sinisterly using the nuclear issue to further its hostile policy toward the DPRK and for its strategic interests.

The South Korean people and the people of the world are raising their voices of protest and denunciation against the U.S. and South Korean authorities' unreasonable dealing over the nuclear problem.

As we have made clear several times and the world recognizes, the nuclear problem of the Korean peninsula is a matter which should be settled by the DPRK and the United States and in which no others should meddle. Furthermore, the nuclear problem cannot be a matter to be used by the United States as political bait or a

condition of exchange in dealing with the South Korean authorities, who do not consider the interests of their nation.

The real purpose of the United States, which is dragging on the settlement of the nuclear issue, has become clearer with the passage of the time.

From the beginning, the United States has been indifferent to the fundamental settlement of the nuclear issue on the Korean peninsula and has used our nuclear problem as means for killing two birds with one stone.

All the facts irrefutably prove that during the cold war, the United States spread a groundless rumor about the threat from the North in a bid to turn South Korea into a nuclear forward base after bringing nuclear weapons and other mass destruction weapons into South Korea. Now, when the cold war has been terminated, it invented the fiction of the nuclear problem in an attempt to isolate and crush [apsal] our Republic and, at the same time, to draw water to its mill by making a pretext of the U.S. Forces' permanent occupation of South Korea and, further, keeping the South Korean rice market open.

We can no longer remain an onlooker of the situation when the United States is abusing our nuclear problem to attain its mucky [dirty] political aim, abandoning the spirit agreed upon at the DPRK-U.S. talks.

The United States must immediately stop abusing the nuclear problem as a political bargaining chip or using it to barter like it is dealing with cargo. The South Korean authorities must stop the flunkeyist, treacherous act of sacrificing the peasants and trying to crush [apsal] the fellow countrymen, acting at the beck and call of the United States.

If the United States intends to continue using our nuclear problem to attain its strategic aim, the situation will become all the more serious, and it will be held responsible for all the consequences arising therefrom.

KCNA Reports 9 Dec U.S., ROK Air Exercises

*SK1212084593 Pyongyang KCNA in English 0808
GMT 12 Dec 93*

[Text] Pyongyang, December 12 (KCNA)—The U.S. imperialists staged a joint air war exercise against the northern half of Korea together with the South Korean puppets on December 9 and 10, according to military sources.

The war game in the skies above Pyongchang, Yongwol and Umsong areas involved more than 450 various types of warplanes such as fighter-bombers, assault, observation and reconnaissance planes.

It was an extremely dangerous war gamble aimed at increasing capabilities of coordinated operations, command and striking between flying groups from overseas bases and those belonging to the U.S. Air Force stationing in South Korea and the puppet Air Force.

In separate action in the same period, large-calibre artillery units of the puppet Army deployed in different areas of Paju, Yonchon and Chorwon Counties fired more than 100 shells into spots abutting on the Demilitarized Zone. And armed bandits of the puppet Army took combat positions in Chorwon County and fired at random over 600 large-calibre machinegun and automatic rifle bullets, attacking in the direction of the Military Demarcation Line with some 50 flare bombs set ablaze.

Such war exercises tell that the situation on the Korean peninsula has become further strained due to the military rackets of the U.S. imperialists and the South Korean puppets.

Kim Yong-sam Branded as 'Despicable Traitor'

*SK1112060993 Pyongyang KCNA in English 0501
GMT 11 Dec 93*

["Papers Brand Kim Yong-sam as Despicable Traitor"—KCNA headline]

[Text] Pyongyang, December 11 (KCNA)—Papers here today brand the rice market opening declared by Kim Yong-sam the puppet in his "special statement" December 9 as a criminal act of a despicable and shameless traitor to the nation.

NODONG SINMUN in a commentary titled "Disgusting Jargon of Traitor" denounces the traitor Kim Yong-sam's talk about "advantages" of the rice market opening as the height of deception and a mockery of the people.

The news analyst says:

It was brazen-faced of him to dare appear before the people and publish a "statement" after he offered the rice market to the tender mercy of the greedy foreign forces, though he had declared that he would defend rice by staking his "presidency."

The traitor accepted the foreign forces' demand for the rice market opening, not because it was "unavoidable" but because South Korea is a colony of the foreign forces and Kim Yong-sam is a watch-dog of the United States.

Kim Yong-sam must have made the jargon to justify his treacherous act and alleviate the weight of his crime, if only a little. This, however, revealed his moral inferiority as a traitor and human scum.

He said "Lots of things would be gained". This suggests that he was happy that he got his master's promise to establish an "international cooperation system" over the "suspected nuclear arms development of the North" and oppose the DPRK-proposed formula of a package solution of the nuclear problem and he put a brake on the third round of DPRK-U.S. talks, even if the South Korean farmers and agriculture might be killed.

Kim Yong-sam is a heinous, despicable traitor without precedent.

It is less than ten months since the traitor took office under the "civilian" veil, but the crimes he has committed against the nation are greater and more grave than those of any preceding puppet.

The Kim Yong-sam puppet clique will face deserved punishment by the nation for its crimes.

MINJU CHOSON in a commentary titled "Treachery of Swindler" brands the rice market opening of the Kim Yong-sam clique as a flunkeyist treachery to sell off the interests of the people to outside forces and sacrifice the six million farmers for the sake of its "government security" and an anti-national crime to harm and stifle the people in the North, fellow countrymen, with the help of his master in return for complying with the latter's brigandish demand.

Daily Denounces Kim Yong-sam's 'Puppet Regime'

*SK1012134093 Pyongyang KCNA in English 1033
GMT 10 Dec 93*

["Kim Yong-sam Puppet Regime's Crimes Against Nation, Democracy and Reunification Under Fire"—KCNA headline]

[Text] Pyongyang, December 10 (KCNA)—The "civilian"-veiled puppet government of Kim Yong-sam has advertised "civilian politics" and "reform policy" over the past ten months. But the realities of South Korea today prove that they were a deception and lie.

NODONG SINMUN today says this in a by-lined article titled "We Denounce Anti-national, Anti-democracy and Anti-reunification Crimes of the Kim Young-sam puppet regime".

It says:

Although it is ten months since the emergence of the civilian government" the anti-democratic, anti-reunification "National Security Law" it pledged to "revitalize" or "scrap" at its inception still remains intact and the "Security Planning Board" lords it over as "a government standing on the government."

The Kim Yong-sam puppet clique has fundamentally blocked the mass movement with this fascist law and repressive tool. And although Kim Yong-sam the puppet vociferated about "five-year plan of the new economy" which would instill "life" into the economy, he has done nothing but freezing the wages of to workers and blocking their struggle or the right to existence. The economy is still in a crisis with the reduction of production, increase of foreign debt and bankruptcy of enterprises.

He has made no change in the policy toward the North and the "reunification policy." And his clique broke up

the North-South dialogue and [word indistinct] which had taken place even under the dictatorship of the "Fifth and Sixth Republics" and burned away the hand of good will stretched by fellow countrymen for reconciliation and unity, answering it with such large-scale nuclear war exercises as "Ssangnyong," "Ulchi 93," "Ulchi Focus Lens," "Foal Eagle 93" and "Hwarang."

The "civilian"-veiled traitor clique of Kim Yong-sam has declared a virtual war, blaring that "full posture for countering a possible attack should be taken" and "military countermove is not ruled out" and put the puppet ground, naval and air forces in "emergency alert" tantamount to combat alert in case of emergency" and thus created a touch-and-go situation.

Kim Yong-sam is a rare flunkeyist and a class traitor to the nation who outdistances the preceding dictators of South Korea in selling off the dignity and interests of the country and the nation to foreign forces.

During his recent trip to the U.S., he took issue with the fictitious "nuclear development" by the North and entreated the outside forces to exercise a "strong influence" on the North and check it through an "international cooperation system". And he begged his master to oppose the DPRK-proposed formula of a package solution on the nuclear problem on the Korean peninsula, in an attempt to put the brake on the third round of DPRK-U.S. talks. He also asked the U.S. to put off the projected reduction of U.S. troops occupying South Korea and the plan of suspending the "Team Spirit" nuclear war exercises and continue its "security support" to South Korea. And his diplomatic attitude toward Japan is also humiliating.

What he has done since his inauguration is that in South Korea he suppressed at the point of the bayonet the people calling for independence, democracy and reunification. That in the North-South relations he brought the situation back to the original point of confrontation before the adoption of the North-South agreement; and that in foreign relations he offered South Korea lock, stock and barrel to foreign forces as a colony and nuclear military base.

No longer can we allow Kim Yong-sam, the puppet who has lost the last shred of human conscience, let alone that of politician, to do more harm to the nation and commit more crimes and lay more hurdles in the way of peace and peaceful reunification of the country.

Release of Political Prisoner in South Demanded

*SK1012140193 Pyongyang KCNA in English 1004
GMT 10 Dec 93*

[Text] Tokyo, December 8 (KNS-KCNA)—A meeting took place in Tokyo recently to demand the release of Chang Ui-kyun, former Japan-born Korean political prisoner in South Korea.

The meeting was addressed by Shigeru Yoshimatsu, representative of the National Council of Societies for rescuing Japan-born Korean political prisoners in South Korea, and Akihiko Yawaoa, secretary of the Japanese Christians Council.

They denounced the Kim Yong-sam puppet regime for still failing to release Chang Ui-kyun who was arrested under the "National Security Law", and called for fighting for the release of all the political prisoners together with the South Korean people.

They said the "National Security Law" is a "law" that must be scrapped in view of the UN convention on human rights.

Russia, Japan Condemned for Polluting Sea

*SK1312104693 Pyongyang KCNA in English 1029
GMT 13 Dec 93*

[Text] Pyongyang, December 13 (KCNA)—The chairman of the State Fisheries Commission of the DPRK issued a statement Monday, condemning Russia and Japan for having polluted to a great extent the East Sea of Korea and the Pacific by dumping large quantities of nuclear waste for over 30 years.

Far from lending an ear to criticism from the world public, Russia has announced that it would continue nuclear waste dumping in the East Sea of Korea and the Pacific, and Japan tries to avoid criticism, alleging that the nuclear waste it has dumped is not dangerous, the statement says, and continues:

It is impudent of Russia and Japan to talk about the DPRK's "compliance with the nuclear safeguards agreement" while wantonly violating international accord without an elementary morality.

Russia and Japan must refrain from their reckless act of decrying the DPRK, immediately stop dumping nuclear waste in the East Sea of Korea and the Pacific, apologize to the countries in the coastal areas, scoop up the dumped nuclear waste out of the sea at once and punish those responsible for the dumping.

We hope all the international organisations and community will pay deep attention to the destruction of sea biological resources by Russia and Japan and its consequences and take relevant measures.

New Japan Defence Chief's Remark Criticized

*SK1112055293 Pyongyang KCNA in English 0506
GMT 11 Dec 93*

["NODONG SINMUN on Aichi's Outcry Over 'Missile Issue' of DPRK"—KCNA headline]

[Text] Pyongyang, December 11 (KCNA)—The new director general of the Japan Defence Agency, Kazuo Aichi, in his first "instructions" after his assumption of

office, contended that although the cold war ended, the "nuclear and missile issues of North Korea" are "a factor of instability".

NODONG SINMUN today says that his utterances soon after he got into office revealed his true color as the same warhawk as his predecessor Keisuke Nakanishi and his anti-DPRK attitude.

The news analyst says:

As far as the so-called "nuclear issue" of the DPRK is concerned, it is not a problem into which the Japanese reactionaries are not supposed at should poke their nose. The nuclear problem on the Korean peninsula must be solved through negotiation between the United States, the party responsible for it, and the DPRK.

Lurking behind Japan's imprudent fuss is a sinister intention to use the fiction of "nuclear threat" from the DPRK as a pretext for its own nuclear armament and a shield to divert elsewhere the arrow of international criticism of its nuclear armament.

The "missile issue" of the DPRK over which Aichi raised an outcry presents no problem at all. It is entirely natural that we should take a self-defensive measure when the situation on the Korean peninsula has been strained and brought to the brink of war by the hostile forces. It is self-evident that this poses no "threat" to Japan and cannot be decried.

Japan, however, has decided to develop a missile defence system jointly with the United States with a shrill cry over the "missile issue" of the DPRK, as if something big had happened, and is intensifying arms buildup more openly.

We will never tolerate this.

Kim Chong-il Study Society Formed in Japan

*SK1212084893 Pyongyang KCNA in English 0809
GMT 12 Dec 93*

[Text] Tokyo, December 10 (KNS-KCNA)—"Hanwa Fellowship Society for Independence", a society for the study of works of the dear leader Comrade Kim Chong-il, was formed in Wakayama City, Japan, on November 21.

The advisor, the chairman, the secretary general and other executives were elected and an action program was decided at the inaugural meeting.

Iran Denies Reports of DPRK Missile Testing

*SK1012232393 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 10 Dec 93*

[Text] According to IRNA, a high-ranking official of the Iranian Foreign Ministry has recently rejected false reports by Western countries's media which attempted to apply pressure on Iran by circulating a rumor that North Korea attempts to carry out missile firing tests in

Iran. He said no discussion regarding the missile firing tests has been made between Iran and the DPRK. He exposed that false reports circulated by Western countries are aimed at aggravating the situation in this region and, in particular, driving the Arab oil producing countries to purchase massive weapons from the Western countries.

Lao Premier, Delegation Conclude Visit

Cooperation Agreement Signed

*SK1112053493 Pyongyang KCNA in English 0442
GMT 11 Dec 93*

[Text] Pyongyang, December 11 (KCNA)—An intergovernmental agreement on economic and technological cooperation between the Democratic People's Republic of Korea and the Lao People's Democratic Republic was signed here on Friday.

Present at the signing ceremony on the Korean side were Chairman Yi Song-tae and Vice-Chairman Han Su-kil of the State External Economic Affairs Commission and other officials concerned, and on the opposite side were Minister of Office of Premier Phao Bounnaphon, Vice-Minister of Foreign Trade Thongvanh Phanladsavong, Vice-President of the Committee for Planning and Cooperation Khempheng Phonsena, and other suite members.

The agreement was signed by Yi Song-tae and by Phao Bounnaphon upon authorization from the governments of the two countries.

Lao Premier, Delegation Depart

*SK1112054093 Pyongyang KCNA in English 0446
GMT 11 Dec 93*

[Text] Pyongyang, December 11 (KCNA)—The Lao party and government delegation headed by Comrade Khamtai Siphandon, chairman of the Central Committee [C.C.] of the Lao People's Revolutionary Party and premier of the government of the Lao People's Democratic Republic, left here today by special plane successfully concluding its official goodwill visit to Korea at the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea.

The guests were farewelled at the airport by Kang Song-san, Politburo member of the C.C., WPK and premier of the Administration Council, Kim Yong-nam, Politburo member of the C.C., WPK, vice-premier of the Administration Council and minister of Foreign Affairs, and officials concerned.

A farewell function took place at the airport.

Premier Khamtai Siphandon, accompanied by Premier Kang Song-san, reviewed a guard of honour of the three services of the Korean People's Army.

Thousands of Pyongyang citizens bid warm farewell to the friendly envoy of the Lao people at the airport.

Lao Premier Sends Thanks

SK1212084993 Pyongyang KCNA in English 0814 GMT 12 Dec 93

[Text] Pyongyang, December 12 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, Saturday received a message of thanks sent by Khamtai Siphandon, chairman of the Central Committee of the Lao People's Revolutionary Party and premier of the Government of the Lao People's Democratic Republic, leaving Korea.

Premier Khamtai Siphandon in the message said that the delegation was satisfied with results of its visit to Korea and fruitful bilateral talks at which an agreement was reached on the direction of future cooperation and expressed the conviction that it would contribute to further strengthening and developing the traditional relations of friendship and cooperation between the two parties and the two countries and bringing them into beautiful bloom.

He further said:

"I am rejoiced at the enormous successes made by the Korean people in the efforts to defend the revolutionary gains and build socialism under the banner of the *chuche* idea.

"I am deeply moved, in particular, by the fact that the people of socialist Korea are invariably carrying forward and developing the glorious tradition of the nation, intensely loyal to the great leader Comrade Kim Il-song and Comrade Kim Chong-il, the dear leader of the Korean people, and the Workers' Party of Korea and singleheartedly united around them at all times.

"I am confident that thanks to the might of the single-hearted unity of the leader, the party and the masses the DPRK will surely win victory in the cause of socialist construction and in the accomplishment of the cause of national reunification on the principles of independence, peace and great national unity.

"I wish Comrade President Kim Il-song, the great leader of the fraternal Korean people, long life and good health."

Jordanian Prince Departs Pyongyang 6 Dec

SK1112071993 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 6 Dec 93

[Text] His Royal Highness Prince Abdullah Bin Husayn of the Hashemite Kingdom of Jordan and his party left Pyongyang by plane on 6 December. He was seen off at the airport by generals and officers, including Chon Chae-song, general of the Korean People's Army.

Further Reportage on SPA Proceedings

Kim Ki-nam Report on 9 Dec

SK1212095593 Pyongyang Korean Central Broadcasting Network in Korean 1009 GMT 9 Dec 93

[Report by Kim Ki-nam, deputy to the Supreme People's Assembly and secretary of the Workers' Party of Korea Central Committee, on further improving and strengthening the work of properly inheriting and developing the national cultural heritage at the Sixth Session of the Ninth SPA at the Mansudae Assembly Hall in Pyongyang on 9 December—recorded]

[Text] Comrade Deputies:

Today, 70 million people are overflowing with eternal happiness because of the great national pride and dignity of once again finding the eternal history and brilliant culture of 5,000 years, with the excavation of the Tangun Tomb. Amid this kind of environment, we will place the issue of properly inheriting and developing the national cultural heritage as an agenda item at the Supreme People's Assembly [SPA].

Through the wise leadership of the great leader Comrade Kim Il-song and the Workers' Party of Korea [WPK] correct policy on the national cultural heritage, recently our country truly realized many achievements that are worth boasting about to the whole world. That is, our country actively excavated national cultural legacies and elucidated our people's eternal national history.

The SPA, which opened amid great interest and expectations of all the people and the whole nation, will adhere to and elucidate the achievements made by our party in properly inheriting and developing the national cultural heritage that is filled with the Korean nation's vitality and wisdom. Also by reflecting our people's patriotic enthusiasm, the SPA will have a very significant opportunity to further strengthen the might of the *chuche* socialist fatherland and to accelerate the cause of the fatherland's reunification.

The SPA will discuss the issue of inheriting the national cultural heritage by the great leader Comrade Kim Il-song's lofty will to demonstrate and elucidate to the whole world the eternal and brilliant history of the Korean nation and by upholding the will of the WPK. This is being recognized as a measure reflecting the whole nation's will. Therefore, upon authorization, I will now start to deliver a report on further improving and strengthening the work of properly inheriting and developing the national cultural heritage.

Comrade Deputies:

The national cultural heritage is the symbol of the nation's spirit and wisdom and an asset for national development. The national cultural heritage, which is being created and handed down by our ancestors from generation to generation, must be properly inherited and developed so it will enhance the people's national pride

and dignity and indoctrinate them with the patriotic ideology to defend the nation's dignity, successfully build a socialist national culture, and achieve the country's independent development.

Under the historical condition of our times in which the struggle to realize the independence of the popular masses is waged with the nation-state as a unit, the problem of the nation has surfaced to be one of the fundamental problems determining the destiny of the popular masses. The position of the nation is importantly expressed in the position toward the national heritage, and the pride and self-respect in the national heritage is an important symbol of national self-respect and the nation-first idea.

The people who are unable to properly inherit and develop their national heritage cannot have national pride, nor can they defend their country's sovereignty, nor can they achieve national development or prosperity, as has been proven by the serious lesson of mankind's history. Properly solving the problem of inheriting national culture and heritage is an important problem particularly for our nation, which has been suffering from the pain and disaster of national division imposed by foreign forces for nearly half a century, in maintaining the homogeneity of the nation and realizing national harmony. In South Korea, where national sovereignty is severely trampled upon by foreign forces and where plutocracy dominates, a valuable national cultural heritage cannot be practically protected by the authorities and are frequently stolen and plundered and smuggled out overseas. The remains and relics that remain are not kept as national assets, but are used as means for the rulers to amass wealth.

The South Korean rulers advocate the theory of transfer of cultural sphere [munhwakkwon idongnon] in the study of national cultural heritage. Spreading the assertion on Silla's orthodoxy, they absurdly fabricate and publicize the heterogeneity of national culture. This act perpetrated by the South Korean authorities has brought tragic consequences among the people by paralyzing the consciousness and the feeling of kinship of the same nation, destroying the commonality of the nation, and encouraging the country's division. The present condition of distinct contrast between the North and the South clearly shows that the attitude toward the national cultural heritage is the touchstone distinguishing the patriot and the nation-seller and that it is an important premise in maintaining the homogeneity of the nation and realizing national unity.

The great leader Comrade Kim Il-song, with deep insight into the weighty significance and ideological and spiritual effect of the inheritance and development of the national cultural heritage in achieving the independent development and prosperity of the country and the nation, indicated the principled stand and policy of treasuring and correctly inheriting and developing the excellent national cultural heritage in the first days of the

building of the new society after the liberation in accordance with the far-sighted plan he had personally cultivated in the flames of the anti-Japanese revolution.

The great leader Comrade Kim Il-song has said: To inherit and develop our national cultural heritage in keeping with the present reality is a major policy that our party has maintained consistently in building national culture.

National cultural heritage is a spiritual and material asset that older generations of the nation create in the course of history and hand over to their posterity. The national cultural heritage that ancestors created in different eras and different stages of social development has popular and progressive legacies and reactionary and conservatives legacies, as well. We must examine the national cultural heritage by linking it to the history of the development of the nation in which it has been created, correctly distinguish progressive and popular legacies from it, and properly inherit and develop them from the chuche-based stand. This is the basic idea and principle of the great leader Comrade Kim Il-song's policy of inheriting and developing the national cultural heritage.

The policy of the WPK and the DPRK Government on correctly properly inheriting and developing the national cultural heritage is the most just one based on the chuche-oriented view of the nation. A nation is a solid group of people that has been formed and developed historically and is a unit of social life. Historically, people, while leading lives in such units as a country or nation, have jointly cultivated their destinies. In this process, they have created and developed national cultures that reflect different stages of social development. Of course, some cultural legacies created in national life reflect demands or interests of different classes and strata. Therefore, cultural legacies have different contents, values, or social significance.

However, classes or strata are components of the nation. Therefore, no cultural legacy created by any class or stratum can exist or develop apart from the common cultural heritage that reflects common national demands and interests, and such cultural legacy will become brilliant when the national cultural heritage is inherited and developed correctly. From this standpoint, a working-class party that leads the popular masses' struggle to realize independence, as a matter of course, must correctly inherit and develop the national cultural heritage, instead of ignoring it or throwing it away.

The policy of the WPK and the DPRK Government on correctly inheriting and developing the national cultural heritage reflects the great leader Comrade Kim Il-song's firm idea on national independence and noble patriotism.

The entire course of the respected and beloved Comrade Kim Il-song's revolutionary activities was an honorable course of genuine communists, a brilliant course of

genuine patriots, a history of the revolution's great leader [yongdoja], and a national heroic history. [applause]

Throughout the entire period when he led the Korean revolution, the great leader Comrade Kim Il-song, who created the *chuche* idea in the struggle to establish *chuche* in the revolution, has had the firm belief that genuine communists are genuine patriots who love the country and the nation and has vigorously waged the struggle for independence and sovereignty in the country and national prosperity. Throughout these days of history, the great leader Comrade Kim Il-song showed to all the fellow countrymen that our communists are patriots who truly love the country and the nation.

Thanks to the great leader Comrade Kim Il-song's ideology of national independence and his patriotic and nation-loving ideology, the WPK and the Government of the Republic have been able to properly inherit and develop our nation's precious cultural heritage without deviation and to traverse the most straight road of national cultural construction even amid any complicated circumstances in which all sorts of reactionary theories and opportunist trends regarding the national cultural legacy were prevalent.

Indeed, the great leader Comrade Kim Il-song is the destiny and father of the nation who saved the excellent cultural heritage of the Korean nation with the noble spirit of national independence and ardent patriotic and nation-loving ideology and who has glorified the long history of the nation. [applause]

Comrades Deputies: Under the great leader Comrade Kim Il-song's *chuche*-oriented policy of national cultural heritage, great achievements have been registered in correctly inheriting and developing the excellent cultural heritage of our nation and adding luster to the long history of Korea. In retrospect, our nation, which entered early the era of state, the era of civilization, has since developed generation after generation, leaving the precious national cultural heritage in which the nation's soul and wisdom dwell, while forming a single nation for the long period of 5,000 years of history and embroidering the history of independence and creation. However, our nation's excellent cultural heritage, which is rare in the age and countries of the world was able to lay bare its proud appearance to the world and to radiate its brilliance for the first time in the era of the Workers' Party.

The WPK and the Government of the Republic, first of all, have given priority to fully unearthing, arranging, and protecting the excellent cultural heritage of our nation and made this work an all-state and all-people undertaking to add luster to the long history of our nation and demonstrate its superiority worldwide.

Extensively unearthing and arranging, and actively protecting the excellent cultural heritage of our nation is a precondition to independently inherit and develop the precious cultural assets created by our ancestors in

conformity with socialist realities. Reflected in the vestiges and relics created by our people's strength and wisdom in various past ages in the history are the wisdom, talent, ideology, feelings, and living customs of our ancestors. Therefore, without unearthing, collecting, arranging, and protecting them, it is impossible to conduct education in history and indoctrination in patriotism among the working people in a vivid manner and to create a new socialist culture that accords with national sentiment and feelings. In particular, the fact that our national culture was heavily destroyed and plundered by outside forces made it a more urgent problem to extensively unearth, arrange, and actively protect national cultural heritage.

The Japanese imperialists plundered numerous precious cultural assets of our nation during the Imjin fatherland war [the Japanese invasion of Korea in 1592]. Even after occupying Korea by fabricating the aggressive Ulsa Treaty in 1905 the policy of obliterating the Korean nation was established as their national policy and they unearthed and completely destroyed and plundered Korean cultural assets almost for half a century.

In the 1910's alone the Japanese imperialists burned tens of thousands of old books in an attempt to obliterate the history of Tangun Korea and completely destroyed everything in which the Korean people's patriotic spirit and soul dwelled, be it old buildings, old fortresses, and monuments. The Japanese imperialists illegally unearthed and destroyed thousands of old tombs, including king tombs and took to Japan millions of cultural assets, ranging from ceramic ware, ancient writings, and ancient books to relics such as stone towers. The Japanese imperialists went so far as to plunder metal relics, ranging from such kitchen utensils as brass tableware and brass spoons to copper coins and Buddhist statues under the pretext of manufacturing bullets and shells.

Our people's national cultural heritage was plundered once again by the U.S. imperialist aggressors who occupied South Korea after national liberation and was almost destroyed by the merciless bombing by the enemies during the fatherland liberation war.

Based on these actual conditions, the WPK and the Government of the Republic have largely carried out the work of discovering the national cultural heritage and made all efforts to properly unearth legacies that still remain buried to restore and rearrange destroyed things, and to take good care of them. In discovering and rearranging the national cultural heritage, the principle of *chuche* has been thoroughly embodied. As a result, the questions of the origin of the Korean people, as well as the inception of our national history, have been successfully solved.

Our archaeologists have largely carried out the work of discovering the heritage of the primitive time and unearthed the relics of primitive society in areas near Pyongyang. Following these discoveries, they have

unearthed the fossils of the ancient people. As a result, they have proven that the Korean peninsula is one of the birthplaces of mankind, and that the Korean people, both in name and reality, are nation of [word indistinct].

The Tomb of Tangun was recently discovered and his remains were scientifically proved to be 5,011 years old by the latest-type chronicle measuring apparatuses. At the same time, Sinji letters of Kojoson were discovered. As a result, it was made clear in a scientific way that ours is a homogeneous nation with a history spanning 5,000 years and a brilliant culture, whose father is Tangun. Tangun, who had long been considered to be a mythological person, was scientifically proved to be have been a real person who was born in Pyongyang and founded Kojoson. As a result, our nation has come to be known as a wise nation that entered a civilized society at the earliest period in the East and has firmly maintained its bloodline as a homogeneous nation. Also, Pyongyang, which is blessed with beautiful rivers and mountains, has been known to the world as the birthplace of humanity, the center of the national culture, and the cradle of the Korean nation.

The fact that our nation with Tangun as its father has lived with the same blood, the same language, and the same cultural tradition for 5,000 years inspires our 70 million people, whether they are in the North, or the South, or overseas, to vigorously participate in the noble struggle to realize the fatherland's reunification by ending the tragedy of national division, regardless of political view, religious belief, and property. This is a great event for our nation and a brilliant victory of the policy of national cultural heritage laid down by the WPK and the Government of the Republic. [applause]

Thanks to the chuche-oriented policy of the national cultural heritage presented by the dear leader Comrade Kim Il-song and the WPK, the tomb of King Tongmyong, who founded the Koguryo Dynasty; the Chongnung Temple; and the tomb of Wanggon, the first king of the Koryo Dynasty, have been grandly reconstructed in our age. The architectural legacies, including the Pohyon Temple in Mt. Myohyang, the Pyohun Temple in Mt. Kumgang, the Kwangbop Temple in Mt. Taesong, the Songgyungwan Academy in Kaesong; the ancient tomb of King Kogukwon, the three tombs in Kangso, the ancient tomb in Tokhung-ri, and other tombs with excellent mural paintings of Koguryo; and the Mt. Taesong fortress, the Mt. Chongbang fortress, and many other fortresses have been also restored and reconstructed to their original state.

These valuable national cultural legacies are being persevered and managed today as national treasures by the correct policy of the national cultural heritage laid down by the WPK and the Government of the Republic. Also, these legacies are persevered as important assets that encourage our workers to highly feel pride as a civilized nation. Because of the policy of the WPK and the Government of the Republic to actively unearth, rearrange, and protect national cultural heritage, brilliant

progress has been made in the work of translating and reprinting the national classical legacies, including the Royal Chronicle of the Yi Dynasty and the 80,000 Blocks of Complete Collection of Buddhist Scriptures.

As is known, the Royal Chronicle of the Yi Dynasty is a massive historic book on which authors, as they kept their diaries, recorded the Korean historic events took place for approximately 180,000 days during the 500 years of our dynasty. This is a great national book that can be unparalleled in history of the world, including approximately 900 books in 1,763 volumes. Also, all volumes of the Royal Chronicle of the Yi Dynasty have been translated and reprinted and have been preserved as valuable national treasures, as well as the people's properties. The "80,000 Blocks of the Complete Collection of Buddhist Scriptures" published in the 13th century was all rearranged with bibliographical notes in our era.

The full texts of "The History of the Three Dynasties," "The Chronicles of the Three Dynasties," and "The History of Koryo" were translated and reprinted. Prose collections and classical literary works authored by scientists of the Practical School and other prominent scholars and men of letters, "Tonguibogam" [the complete collection of Koryo medicine] and many other books on Koryo medicine have been collected, rearranged, and translated. These books are used for the workers' education of history, the cultivation of their emotions, and their medical treatment. All of this is the result of the correct policy of the WPK and the DPRK Government on national cultural heritage.

The WPK and the DPRK Government set it as an important line of socialist national cultural construction to inherit and develop national cultural heritage in a chuche-oriented manner in compliance with the requirements of the time as well as to discover and protect national cultural heritage with good care and has thoroughly implemented it, thus bringing the excellent cultural traditions of our nation into full bloom in the life of our people.

It is a general principle on cultural development that only when one, using the national cultural heritage which one's ancestors built as a springboard, inherits progressive and popular cultural legacies and develops them in compliance with the demands of new life, socialist national culture can be built successfully.

By rejecting both reactionism and a nationalist tendency in building national culture and thoroughly implementing the WPK's policy on thoroughly implementing the principle of chuche, the principle of working-class spirit, and the principle of historicism, our people could successfully build chuche-oriented socialist national culture—which conforms to the interests of our revolution and our people's feelings and tastes—even at a complicated time when toadyism, doctrinism, and all forms of opportunism were doing serious harm on cultural construction worldwide.

With the WPK's policy of national cultural heritage fully implemented, the history of the ancient and medieval ages which had been twisted by the national chauvinistic and flunkeyist historians has been newly expounded and systematized by chuche-based methodology. Thus, the appearance of the primitive society of our country has been fully revealed, and the history of the ancient times centered on Ancient Korea [Kojoson] and the history of the middle age centered on Koguryo have been established. And the questions of the origin and development of capitalism and of the bourgeois reform movement in our country and other basic questions of the modern history have been made clear scientifically.

The "Complete History of Korea" in 34 volumes, a chuche-oriented series of history, was compiled, with the result that the history of Korea has been defined in a chuche-oriented manner and that the histories of philosophy, economics, literature and arts, linguistics, and other fields have been scientifically systematized and published. This is another valuable achievement in inheriting and developing national cultural heritage.

Thanks to the correct policy of the WPK and the DPRK Government on national culture, excellent legacies of our nation cast their rays in literary and artistic fields. Our people who lived in a land of beautiful mountains and rivers had wisdom and a peculiar sense of beauty, brilliantly developed national culture and arts, created numerous beautiful types of national arts, and glorified Oriental culture.

The WPK set the principle that our literature and art must have a national form and socialist content on the basis of the things Korean by applying the chuche idea, and has consistently implemented the line of literature and arts on inheriting and developing the literary and artistic legacies left over by the ancestors from a chuche-oriented view. As a result, our socialist national literature and arts have come into full bloom as chuche-oriented literature and arts which are distinct with the soul of Korea, with the spirit of Korea displayed to a high degree, and with rich national flavor, and a great heyday of the literature and art of our era has opened.

Along with this, with the development of the chuche-oriented architecture in the national style and socialist content, a large number of grand monumental edifices have sprung up.

A great achievement has been made in the work for inheriting and developing the hereditary beautiful manners and customs in keeping with the demand of the chuche era. As a result, our society is now prevalent with healthy and beautiful traits of moral life.

As a single nation of the same blood, our people have harmoniously lived on the same land, sharing the same language and customs. More cherishing diligence, sincerity, truth, and morality than assets and power is the traditional beautiful trait which our people have long inherited.

Thanks to the great leader Comrade Kim Il-song's noble idea of believing in the people as in heaven and to the popular policy of the WPK, the pure and clean beautiful moral traits, which have been nursed in a long historical period and handed down from generation to generation by our people, have been inherited and developed into the customs of moral life of the people in the chuche era and have become a precious national basis of the single-hearted unity of the whole society.

Our people's single-hearted unity and the noble communist virtues, which are prevalent throughout the country, have been admired by the people of the world. Our people's single-hearted unity and the noble communist virtues are matchlessly pure and genuine, because they have been based on the superior national traditions developed historically. Thus, our people's single-hearted unity and the noble communist virtues are the manifestation of the national blood ties which none can break.

If the WPK's policy of correctly inheriting and developing the national cultural heritages is the lifeline which inherits the national soul, resourcefulness, and talent, our socialism is the base [tojon] that protects and brings into full bloom the excellent cultural heritages of the nation.

In the countries which threw away socialism and returned to capitalism in the face of the political storms, their valuable national cultural heritage, which is associated with the national spirit and resourcefulness and with the national sweat and blood, turn into commercial items. As a result, their valuable national cultural heritage flows into overseas countries and is rashly destroyed and their national pride and patriotism disappear gradually.

In the socialism of our own style centered on the popular masses, the national superior cultural heritage becomes invigorated as days pass. With the national spirit, the national cultural heritage becomes an important source which evokes patriotism and nation-loving spirit among the people. This clearly proves the principle that even in the fields of correctly inheriting and developing the national cultural heritage, if we defend socialism, victory will be reserved before us; if we give up socialism, we will face death. [applause]

Comrade Deputies:

All the proud achievements, which have been made in correctly inheriting and developing our national excellent cultural heritage and in glorifying the ever-lasting national history, could be made only under the outstanding and tested leadership of the great leader Comrade Kim Il-song. No matter how excellent and rich the national cultural heritage may be, it cannot radiate without the leadership of the great leader [suryong] and the great party.

The great leader Comrade Kim Il-song has put forth correct lines and policies on inheriting and developing the national cultural heritages. Over a long period

ranging from the first period embarking on the road of the revolution to today, the great leader Comrade Kim Il-song has consistently put his heart and soul into cherishing and correctly inheriting and developing the ascendants' national cultural heritage as the heritage of the country and the nation.

During the period of launching the arduous anti-Japanese revolutionary struggle with all responsibility for the fate of the country and the nation, the great leader early experienced the heartbreaking sorrow of the destruction and exploitation of the national cultural heritage by the Japanese imperialist aggressors. The great leader has led our people to the struggle to treasure and love our people's history and cultural traditions and to positively prevent the enemies from destroying the cultural heritage.

Even in the process of arduous and complex struggle to carry out the cause of founding the party, the fatherland, and the Army, the great leader [suryong], who achieved the historic cause of the national liberation, paid deep attention to the national cultural heritage; saw to it that laws and regulations should be enacted and practiced in order to find out, protect, and manage cultural heritage; and initiated the work to reconstruct and keep cultural heritage as a nationwide and all-people work.

During the arduous period of the Fatherland Liberation War against the U.S. imperialists' aggressors, by taking the measure of evacuating valuable cultural heritage into a safe area, the great leader [suryong] saw to it that the national cultural heritage was protected from enemies' indiscreet bombing, destruction, exploitation, and barbarity.

In order to save the "True Records of the Yi Dynasty," he presented (?credentials) engraved with his esteemed name to functionaries of this field and provided them with all the conditions necessary. During the whole process of the war, he valuably kept the "True Records of the Yi Dynasty" in the supreme commander's office and encouraged functionaries to translate and reprint it. The great leader's scrupulous leadership became a touching baton which invoked the noble spirit of patriotism from our people's hearts and will be passed on down national history eternally. [applause]

The great leader, even in the postwar period of economic restoration in which we all had to tighten our belts to rise up from the ruins to stand on our feet again, provided precious funds and materials so as to restore ruined national cultural heritages. Due to the wise leadership of the fatherly leader [suryong] who concentrated his efforts on making national cultural heritages into the people's possessions and the socialist cultural construction's assets, the valuable cultural heritages, which have been accomplished in a long historical period, were excavated and thus shine as the treasure of the nation and the country.

The disinterment and corroboration of Tangun, the father of our nation, as a real person and the recovery of

the five thousand year-long national history in the era of the Workers' Party are unthinkable apart from the guidance and tireless efforts of the great leader to discover and preserve the national cultural heritage.

The great leader acquainted himself with the legend of Tangun and the materials on the tomb of Tangun, and initiated the excavation of the tomb of Tangun. When the materials on the tomb of Tangun were verified scientifically, he visited the tomb of Tangun and meticulously urged scientists and functionaries to correctly study and systemize materials on Tangun and the history of Kojoson.

Truly, we have witnessed many famous state leaders of all times and places. We, however, do not know of a leader like our leader [suryong], with deep interest and profound knowledge of the cultural heritage of our nation, who inordinately values the cultural heritages of our nation and leads the country and the nation to pass on our treasures.

Our party expounded that the work of inheriting and developing the national cultural heritage is a political issue related to the dignity of the nation and the independent development of the country and has made sure of the defense and steadfast implementation of the independent stand in this work.

In the study of the characteristics of the Korean feudal society and the origin and development of capitalist relations, the unscientific nature of the long-established "Silla orthodoxy" doctrine in the historical domain was expounded to establish the ancient and medieval historical system based on the legitimacy of our nation from Kojoson to Koguryo, Palhae, and Koryo and the European centralism was overcome. These are also results of the guidance of our party which saw to it that a correct viewpoint and stand were established in inheriting the national cultural legacy. [applause]

In order to properly improve and strengthen the cultural heritage of our nation, our party concentrated all its strength to this field and provided all the conditions necessary. In accordance with our party's intention, science institutes and museums of this field were run by talented functionaries. A systematic education system was set up to train talents, and material and technological groundwork was laid to modernize the research work.

The works to compile the "Complete History of Korea" and translate the "True Records of the Yi Dynasty" were successfully completed in a short period. The research work on Tangun and Kojoson have been carried out on the basis of modern science. These accomplishments are unthinkable apart from our party's leadership.

Our party has set up an orderly work system to search, excavate, restore, arrange, preserve, and inherit our nation's cultural heritage from the center to each province, city, county. In doing so, the work of inheriting and

developing our nation's cultural heritage has been carried out as an all-state, all-people work under the unified guidance of the state and our nation's entire cultural heritage has been unearthed and preserved under the responsibility of the state.

Truly all brilliant victories and proud results that were achieved in our country to correctly inherit and develop the national cultural heritage are lofty fruitions of the great leader Comrade Kim Il-song's wise leadership and endless efforts. [applause]

Comrade Deputies:

Today, we have before us the tasks of further succeeding and strengthening the work of correctly inheriting and developing the cultural inheritance on the basis of accomplishments which have already been achieved.

The great leader Comrade Kim Il-song has noted: We, by preserving entire cultural relics and remains as they were in the past, should propel the cultural heritage which have already been achieved by our people to contribute to further inheriting and developing the cultural tradition of our nation in conformity with the demand of developing realities.

To further improve and strengthen the work of properly inheriting and developing the cultural heritage of our nation at present is an important demand for correctly establishing and completing the five thousand year long national history and thereby displaying the dignity and spirit of the nation to the whole world and an important demand for successfully building the socialist national culture to suit the aspirations and emotions of our people. It is also an important question in accelerating national reunification by enhancing the national pride and honor of the 70 million fellow countrymen and further lifting their ardor for reunification.

To this end, it is important, above all, for all the people to have a correct viewpoint and stand toward the cultural heritage of our nation. We should make the entire people clearly understand that the question of national heritage is not merely an academic one or a businesslike matter of preserving and managing the heritage created by the ancestors but an important political issue related to the basic demand of the era of independence and the line of national independence and a national historic task related to the dignity of the nation and the independent development of the country. So, we should elevate public concern in and the working people's consciousness of being responsible for the work of properly inheriting and developing the cultural heritage and make it an all-state, all-people work.

In order to properly inherit and develop the national cultural legacies, we should discover, collect, and adjust them and actively carry out research work on them.

Based on the recent achievement in the discovery of the Tangun Tomb, we should further deepen the work to prove the longevity of our history, the singleness of our

nation, and the superiority of our country through large-scale archaeological discovery work in all areas of Pyongyang, which is the cradle and center of ancient culture; and through broad research, collection, and preservation of historical sites and relics.

We should also enrich the value of our national cultural legacies by actively carrying out the collection work of national cultural legacies, including old books and scriptures, as an all-society movement. Along with the discovery, collection, and preservation work, we should actively carry out and deepen research work.

We should strengthen the science of research on national cultural legacies in conformity with the demands of the developing times, modernize research work, accurately define present and prospective tasks, and ceaselessly deepen the scientific research work on national cultural legacies so that the scientific research work makes actual contributions to independently inheriting and developing them through active discovery of national cultural legacies and correct evaluation of cultural vestige and relics.

To properly inherit and develop national cultural legacies, it is important to carry out restoration, preservation, and management work with responsibility. To properly preserve and manage national cultural legacies is responsible work of handing over national assets to our descendants, and honorable work of glorifying the superior cultural tradition of our nation.

Among our ancestors' cultural assets, there are many valuable creations that have contributed to enriching the world's cultural assets. Only when we restore the creations—which reflect the Korean nation's wisdom and talent and bear the nation's soul and spirit—to the original state and preserve them well, can we display the superiority of our cultural tradition and national dignity and effectively use them in socialist cultural construction and the masses-oriented work to enhance national pride and self-confidence.

We should continue to have national concern over the work for preserving and managing national cultural legacies, including historical sites and relics, so that the already established preservation and management system shows good results. Power organs of all levels should, in association with specialized scientific research institutes, restore priority objects first and pay more careful attention to preventing modernizing works inconsistent with historical facts and chronicles.

We should have deep interest in the preservation and management of the national cultural legacies and continue the work to discover still unearthed ones, restore damaged ones, and correct those distorted or incorrectly evaluated by the imperialists and reactionaries. We should strengthen the government's unified guidance of preservation and management of culture so that it keeps in step with the material and technical aspect of preservation.

At the same time, we should establish a general social ethos of enhancing the responsibility and role of functionaries in charge of preservation of culture and of protecting and managing historic remainders and relics carefully, and should enact and execute relative state laws and regulations.

What is important in correctly inheriting and developing the national cultural heritage is to inherit and develop our people's excellent traditional national customs in a chuche-based way. The unique customs and manners of living that our people have created through their everlasting 5,000-year history are valuable assets and grounds for establishing a new socialist mode of living that is suitable to the demands of the times and our people's desire and emotion.

We should scientifically systemize our people's excellent national traditions and develop them on a chuche-based position so that the people-oriented, revolutionary socialist living mode of our own style can bloom fully.

We should improve and intensify educational and indoctrination work on the national cultural heritage in order to correctly inherit and develop the national cultural heritage. Inheriting and intensifying educational and indoctrination work on the excellent national cultural heritage is very important in making the people have national dignity and pride, enhancing their national self-esteem and the Korean-nation-is-number-one spirit, and raising the younger generation, the vision of our fatherland, as genuine patriots.

We should make an overall review on and complete the content of education on the national history in various educational organizations and improve its quality. We should also keep good maintenance of historical museums and historical sites, extensively organize visitors program, and actively publicize and introduce the national cultural legacies in various forms and ways.

As a result, we should enable all the working people and youth to further elucidate the nation's excellent cultural legacies with high pride and self-esteem of our nation's proud history and brilliant culture, and deeply bear socialist patriotism and the Korean-nation-is-number-one spirit.

To resolutely fight against the maneuvers of the imperialists and reactionaries to obliterate the national culture and penetrate the bourgeois ideology and culture is one of the important tasks in correctly inheriting and developing the national cultural legacy.

The foreign imperialists, including the Japanese imperialist aggressors who had tried to obliterate our national culture aiming at putting the yoke of colonial slave on our people in the past, are now resorting to malicious maneuvers to distort and obliterate our national culture in various forms and methods in a bid to besmirch the ever mounting authority of our Republic.

We should heighten vigilance against this and shatter all the enemy moves to distort and destroy our national culture. It is a common ideological feeling, as members of the nation, for people to love the country and the nation and treasure the national cultural heritage. Nevertheless, the splittists within and without are maneuvering to permanently divide our people's sagacious and everlasting national cultural heritage into two, taking advantage of the temporary division of the country and the nation.

We should crush the splittists' antireunification and antinational criminal maneuvers, protect and study the valuable national cultural heritage bequeathed by our ancestors, and utilize it advantageously for the national prosperity and for the cause of reunification.

At the same time we should thoroughly prevent the infiltration of the bourgeois ideology and culture perpetrated by the imperialists and reactionaries, and firmly defend the purity of our national heritage and traditional beautiful life ethos.

Comrades deputies, as in the past, we should in the future, further add luster to the everlasting 5,000-year national history, resolutely defend the great leader's [suryong] immortal achievement and our party's brilliant tradition in the construction of national culture, and make them bloom generation after generation by upholding the wise leadership of the great leader Comrade Kim Il-song and bringing about a new turn in the work to correctly inherit and develop the national cultural legacies.

Let us all firmly rally around the WPK Central Committee headed by the respected and beloved Comrade Kim Il-song so as to establish constant advance and innovation in the work to correctly inherit and develop the national cultural legacies, and vigorously fight on for the virtual victory of socialist cause and for the early achievement of the historic cause of reunification. [applause]

New Vice Presidents Elected

*SK1112114593 Pyongyang Korean Central
Broadcasting Network in Korean 1100 GMT 11 Dec 93*

[Text] The Sixth Session of the Ninth Supreme People's Assembly [SPA] of the DPRK closed on 11 December after successfully discussing the items on the agenda. The meeting discussed organizational matters, the fourth item on the agenda. The meeting held a by-election [poson] of vice presidents of the DPRK. It elected [songo] Deputies Kim Yong-chu [Kim Il-song's younger brother] and (Kim Pyong-sik) vice presidents of the DPRK.

The meeting recalled [sohwan] Deputy Han Song-yong from the post of member of the Central People's Committee.

The meeting recalled members of the SPA Standing Committee and held elections for those posts. The

meeting recalled Deputy Chong Sin-hyok from the post of member of the SPA Standing Committee, and Deputies Yu Mi-yong, Chu Song-il, and Kim Sok-hyong as members of the SPA Standing Committee.

The meeting recalled some members of SPA committees for different fields and elected new members. It recalled Deputy Pak Nam-ki from the post of the chairman of the SPA Budget Committee and elected Deputy Han Song-yong as chairman of the SPA Budget Committee.

The meeting recalled Deputy Choe Tae-pok from the post of the chairman of the SPA Foreign Affairs Committee and elected Deputy Hwang Chang-yop as chairman of the SPA Foreign Affairs Committee.

The meeting elected [poson] Deputy Kim Kuk-hun as member of the SPA Bills Committee, Deputy Kim Chong-suk as member of the SPA Foreign Affairs Committee, and Deputy Paek Nam-chun as member of the SPA Reunification Policy Committee.

Yang Hyong-sop, chairman of the SPA, delivered a closing speech.

Yang Hyong-sop Addresses Closing

SK1112154493 Pyongyang Korean Central Television Network in Korean 1104 GMT 11 Dec 93

[Speech by Yang Hyong-sop, chairman of the Supreme People's Assembly, at the closing of the Sixth Session of the Ninth SPA from the Mansudae Assembly Hall in Pyongyang on 11 December—recorded]

[Text] Comrade Deputies: The Sixth Session of the Ninth Supreme People's Assembly [SPA] opened at a time when, in hearty response to the programmatic teaching—which the great leader Comrade Kim Il-song gave at the 21st Plenary Session of the Sixth Committee of the Workers' Party of Korea [WPK]—and the decision of the plenary sessions, all the people across the country are scoring new revolutionary upsurges with great confidence and optimism. This SPA session will finish its work after successfully discussing the items on the agenda with the positive participation of you, comrade deputies.

The current SPA session has summed up the proud achievements which, under the wise leadership of the respected and beloved leader Comrade Kim Il-song and the WPK, we have brought about in scientifically establishing and glorifying the 5,000-year history of our nation, which has a glorious culture. The session also deliberated on and adopted a decision on further improving and strengthening the work of inheriting and developing our people's excellent national cultural heritage.

The session adopted a historical decision that embodies the respected and beloved leader's firm idea on national independence and his noble idea on patriotism and that fully elaborates on the principles and tasks for positively discovering, inheriting, and developing the progressive

and popular cultural heritage that our ancestors created. This is a meaningful event in our national history and the construction of socialist national culture. [applause]

The adoption of this decision has provided our people with a new turning point for passing the immortal achievements—which the respected and beloved leader Comrade Kim Il-song has brought about in correctly inheriting and developing the national cultural heritage and glorifying our national history—onto generations to come, further enriching the treasure trove of our excellent national cultural heritage, instilling the Korean-nation-to-be-number-one spirit in the hearts of all people, maintaining national homogeneity [minjogui tanilsong], and achieving great national unity and hastening the historic cause of the fatherland's reunification. [applause]

The SPA session deliberated on and adopted the DPRK Law on Construction to legally consolidate the brilliant achievements—which have been brought about in implementing the respected and beloved leader Comrade Kim Il-song's far-reaching plan on socialist construction and the construction policy of the WPK and the DPRK Government, which embodies his plan—and further improve and strengthen construction work in compliance with the actual requirements for socialist economic construction in our country.

The DPRK Law on Construction, which fully embodies the respected and beloved leader Comrade Kim Il-song's chuche-oriented idea on construction, is a basic legal code on construction that summed up the WPK's policies on construction and the DPRK Government's guidelines on construction and is a powerful legal means to further increase the country's economic strength and provide the people with the best conditions for independent and creative lives.

Under the careful leadership of the respected and beloved leader Comrade Kim Il-song and our party, the SPA session deliberated and approved the Law on the National Emblem of the DPRK, the Law on the Lease of Land of the DPRK, and the Foreign Invested Bank Law of the DPRK—which the SPA Standing Committee adopted during the period between the Fifth and the Sixth Sessions of the Ninth SPA—and the Law on the Composition of Local Power Bodies of the DPRK and the Law on Customs of the DPRK—which the SPA Standing Committee amended and supplemented during the period.

These laws will actively contribute to elevating the dignity and authority of our country as an independent socialist country in accordance with the developing reality, to constantly strengthening the role of local power bodies, and to accelerating national economic development by carrying out vigorous external economic activities.

The session also discussed and made decisions on the organizational issue.

The whole course of discussing the agenda items presented to the session clearly proved that the endless glory of our people's national dignity and honor, the prosperity of the chuche socialist fatherland, the reunification of the fatherland, and the ultimate victory of the socialist cause can firmly be guaranteed only when we completely implement the revolutionary principle of independence, self-reliance, and self-defense under the wise leadership of the WPK, upholding the respected and beloved leader Comrade Kim Il-song.

I declare the closing of the Sixth Session of the Ninth SPA, with a firm belief that the session will serve as a new turning point in our people's struggle to resolutely protect, defend, and consolidate the popular mass-oriented socialism of our own style under the leadership of the party and the leader and under the revolutionary banner of the chuche idea and in their struggle to achieve the great national unity and realize the historic cause of the fatherland's reunification. [applause]

KCNA Reports 50% Rise in Industrial Output

*SK1112051593 Pyongyang KCNA in English 0416
GMT 11 Dec 93*

[Text] Pyongyang, December 10 (KCNA)—Industrial output has increased 50 percent in the Democratic People's Republic of Korea during the period of the third seven-year plan (1987-93).

The average annual growth rate of industrial output in this period was 5.6 percent.

The independence and might of industry have increased immensely over the past seven years with the construction and commissioning of more than 11,000 projects in the industrial sector.

In the power industry, large-scale hydraulic and thermal power stations including the Taechon, Wiwon and Namgang power stations and Sunchon and East Pyongyang thermal power stations and minor ones have been built, and the construction of the Kumgangsang, Yongwon and Kumyagang power stations and the December and the Haeju thermal power stations progressed briskly.

The production of electrical power in the plan period grew 30 percent and the nation's power industry has been consolidated further still to be a chuche-oriented, independent industrial sector relying on modern technologies and rich domestic resources.

In the mining industry, large-scale coal mines in Anju, Sunchon and Pukchang districts and ore mines in Tanchon and Yanggang provincial districts including the Komdok mining complex have been reconstructed and largely expanded, many new coal and ore mines and pits been developed and the standard of their technical equipment has improved markedly.

The production of coal and nonferrous metal ores in this period increased respectively 40 and 60 percent and fuel and raw material bases of the country have been

expanded and strengthened, with the result that solid foundations have been laid for more dynamically pushing ahead with the chuche-orientation of the national economy.

In the metal industry, the method of metallurgy by domestic fuel has been further perfected, iron production bases have been streamlined, the second-stage expansion project of the Kim Chaek iron and steel complex and the capacity expansion project of the Musan mining complex been done successfully, and new high-pressure pipe and stainless steel pipe production bases been built to perfect the departmental structure of the metal industry.

In the plan period, steel production grew 30 percent.

At the same time, the technical renovation of smelteries has been promoted and the Tanchon smeltery went into operation, thereby remarkably boosting the production of nonferrous metals and further expanding and strengthening magnesia clinker and other fireproof materials production bases.

The machine industry has made big strides forward in accelerating the comprehensive technical renovation of the national economy and in the mechanization, automation, robotization and computerization of production processes.

In particular, the existing electronic and automation element production bases have been readjusted and replenished and new modern ones including integrated circuit, computers and control devices been built to further consolidate their material and technical foundations.

Palpable successes have also been registered in the development of light industry.

Textile equipment has been reinforced and streamlined at the Pyongyang textile combine, Kusong, Sariwon and Kaesong textile mills, and the production of footwear, foodstuff and daily necessities has risen rapidly.

Local industrial production grew 70 percent in the plan period as a result of the modernization of local industrial factories and the consolidation of local raw material bases.

The chemical, building materials and other industrial domains also have registered successes.

All this convincingly proves that the national industry of Korea has developed into a chuche-oriented independent industry not affected by any economic blockade of the imperialists or worldwide economic fluctuation.

Scientists Develop New Yeast Feed for Stock

*SK1112051693 Pyongyang KCNA in English 0420
GMT 11 Dec 93*

[Text] Pyongyang, December 10 (KCNA)—Korean scientists and technicians recently invented a new yeast

feed conducive to the development of the nation's stock breeding with waste material of foodstuff factories.

Vitamins, hormone enzyme, phosphorous calcium and microelements contained in the yeast feed have a good effect on the growth of domestic animals.

The yeast feed raises the digestion and absorption rate, lowers the standards of feed consumption, fatten cattle, pigs and other domestic animals rapidly, diminishes the death and disease rate and increases the output of milk and its oil content.

The yeast feed also increases the egg-laying rate of hens considerably.

Fresh yeast feed smells fragrant and stimulates the appetite of animals.

The Pyongyang cornstarch factory produces more than one ton of yeast feed every day.

Preparations are underway for introducing the production method of the new yeast feed nationwide.

It was invented by scientists and technicians of the industrial laboratory of the Pyongyang cornstarch factory and the Institute of Maize Processing of the Academy of the Light Industry.

South Korea

YONHAP Reports U.S.-DPRK Contact 10 Dec

SK1112045793 Seoul YONHAP in English 0446 GMT
11 Dec 93

[Text] Washington, Dec. 10 (YONHAP)—The United States and North Korea had an informal contact at United Nations headquarters in New York on Friday in which Washington demanded that Pyongyang allow international inspection of all its nuclear sites, U.S. Undersecretary of State for International Security Affairs Lynn Davis said.

Washington had not changed its position in response to North Korea's recent offer of limited inspection of its nuclear sites, Davis told a seminar,

"No, our goal has not changed," he said.

North Korea said recently it would accept inspections by the International Atomic Energy Agency (IAEA) of five of the seven nuclear facilities in yongbyon. And it would allow the replacement of surveillance equipment at the two other facilities, a five-megawatt reactor and a nuclear fuel reprocessing plant.

At Friday's contact, the United States demanded that North Korea open all nuclear sites to international inspection as well as begin inter-Korean talks, Davis said.

White House Spokeswoman Dee Dee Myers told a regular briefing that U.S. and North Korean working-level officials had a contact in New York to discuss a

North Korean proposal on ways to solve its nuclear problem but did not elaborate.

Myers said that there was no change at all in the basic U.S. position that both a full-fledged inspection of North Korean nuclear sites in yongbyon and inter-Korean talks are necessary.

Meanwhile, diplomatic sources have told YONHAP that Tom Hubbard, deputy assistant secretary of state for Asian and Pacific affairs, has had a contact with Ho Chong, deputy chief of the North Korean mission to the United Nations.

Hubbard told Ho that South Korea and the United States are willing to suspend their joint military exercise "Team Spirit" next year on condition that North Korea accept full international inspection of its nuclear facilities, according to the sources. He urged North Korea to accept inspections of the seven nuclear facilities it declared to the IAEA and resume inter-Korean talks, pointing out that a North Korean proposal is not enough to clear up international suspicion that Pyongyang is developing nuclear weapons.

Inspection of the seven nuclear sites is the most important issue and the United States cannot concede because the IAEA is demanding it.

The United States took a slightly more flexible attitude at the Hubbard-Ho contact on Team Spirit and resumption of inter-Korean talks, the sources said.

Washington plans to try to solve the North Korean nuclear issue by continuing dialogue with Pyongyang for the time being, but it is expected to study U.N. sanctions if Pyongyang fails to show a more progressive attitude.

Further on 10 Dec Contact

SK1112010893 Seoul SEOUL SINMUN in Korean
11 Dec 93 p 1

[By Washington-based correspondent Yi Kyong-hyong]

[Text] It has been learned that the U.S. official position on solution to North Korean nuclear issue was conveyed to the North Korean side through a U.S.-North Korean unofficial working-level contact held in New York on 10 December.

The United States was known to have finalized its position after consulting with the ROK, as well as with Japan and China, in connection with the North Korean proposal that it will accept inspection of five nuclear facilities of seven in Yongbyon, and officially informed the North Korean side on the weekend of its position.

The official position of the United States is similar to a counterproposal to the North Korean proposal but its details are not known. However, it is observed that based on the consultation with the ROK, the United States

called on North Korea to accept overall [chonmyon-chogin] inspection of seven nuclear facilities but North-South dialogue may be resumed a little later.

It was also learned that in view of the time limit for guaranteeing safeguards by the International Atomic Energy Agency over the North Korean nuclear facilities, the United States' current counterproposal means, in fact, its final position.

Government Reaffirms Stance on U.S.-DPRK Talks

SK1112051493 Seoul YONHAP in English 0450 GMT 11 Dec 93

[Text] Seoul, Dec. 11 (YONHAP)—The government reaffirmed Saturday its position that a third round of high-level talks between North Korea and the United States is possible only when Pyongyang accepts full-fledged inspection by the International Atomic Energy Agency (IAEA) and shows sincerity in inter-Korean talks.

The government decided to take more flexible attitude on the issue of suspending the "Team Spirit" joint military exercise with the United States. Its former position was that the issue could be discussed and solved only in the process of exchanging special envoys with North Korea.

The meeting of security-related ministers, presided over by National Unification Minister Han Wan-sang, reviewed recent moves by North Korea and discussed ways to solve the North Korean nuclear problem.

Han reported to the meeting that North Korea admitted economic failure at the sixth plenary meeting of the Ninth Supreme People's assembly and he expected it to adopt a limited open-door policy from next year.

The foreign, home, finance, justice, defense, information, first state and science and technology ministers attended the meeting.

ROK, DPRK Reportedly Discuss Nuclear Issue

SK1212014693 Seoul CHOSON ILBO in Korean 12 Dec 93 p 2

[Article by Washington-based reporter Chong Hae-yong]

[Text] In addition to the U.S.-North Korea unofficial working-level contact in New York to resolve the North Korean nuclear issue, North and South Korea held a working-level contact in Beijing. It has thus been learned that North and South Korea exchanged each other's positions regarding nuclear issues and sought to make a breakthrough. A well-informed source in Washington which asked not to be identified said that on 10 December when the U.S.-North Korea working-level contact was held in New York, North and South Korea held a secret working-level contact in Beijing and, at the

contact, the ROK delivered a ROK-U.S. method for resolving the nuclear issue to the North Korean side.

YONHAP Notes Election of DPRK Vice Presidents

SK1112130093 Seoul YONHAP in English 1248 GMT 11 Dec 93

[Text] Seoul, Dec. 11 (YONHAP)—The North Korean Supreme People's Assembly on Saturday [11 December] chose Kim Yong-chu, younger brother of Kim Il-song, and another as new North Korean vice presidents. The other man chosen as vice president was Kim Pyong-sik, chairman of the Choson Socialist Democratic Party, North Korean broadcasts monitored here said. Their selection brings to four the number of North Korean vice presidents. The two others are Yi Chong-ok and Pak Song-chol.

The four-day session [duration as received] of the Supreme Assembly, which came to an end on Saturday, did not take any step related to Kim Chong-il's succession to full power.

Kim Yong-chu was named a Workers' (communist) Party Politburo member last Thursday after 18 years' absence from public office.

Paper Provides Background

SK1312011993 Seoul HANGUK ILBO in Korean 13 Dec 93 p 2

[By reporter Yu Sung-u]

[Text] Kim Pyong-sik (74), elected vice president on 11 December, the last-day of session of the North Korean Supreme People's Assembly, comes from the Korean residents in Japan standing on the side of the General Association of Korean Residents in Japan [Chongnyon]. He is the figure who visited Seoul in 1972 as member of the North side's Advisory Committee of the North-South Red Cross talks. It is noteworthy that, both, he and Kim Yong-chu (former chief of the party organizational department and the North side's chairman of the North-South Coordinating Committee) have been appointed vice presidents at this time.

Kim Pyong-sik was born in Sinan, South Cholla Province, in 1919. He went to Japan in 1943 before liberation; graduated from the Economic Department of Tofuk University in Japan; and distinguished himself by serving as chief of the Chongnyon Executive Office, vice chairman and first vice chairman of the Chongnyon. In 1972, he went to North Korea as a case of permanent entry into the North. In North Korea, he served as chief of the Korean Revolution Museum in 1977 and, since 1982, he had served as an adviser to the Research Institute for South Korean Affairs. Thus, he has been involved in the policy toward South Korea. His tangible movements have not been noticed for a long time. However, attention has been focused on him since he

was appointed chairman of the Korean Social Democratic Party in July. This post had been left vacant since former Chairman Yi Kye-paek died. It has been learned that he is not on good terms with Chongnyon Chairman Han Tok-su. It has also been known that he recently attempted to enter Japan but was not allowed to do so.

Article Analyzes SPA Session, Plenary Meeting
SK1312140693 Seoul CHUNGANG ILBO in Korean
13 Dec 93 p 5

[Article by O Yong-hwan: "Conclusion of the North Korean Supreme People's Assembly Session"]

[Text] The Sixth Session of the Ninth Supreme People's Assembly [SPA] of North Korea closed on 11 December. The most noteworthy development was that North Korea has consolidated the unity of the leadership by resurrecting Kim Yong-chu.

A big change was that North Korea admitted its failure to fulfill the third seven-year economic plan and changed its economic policies by deciding to direct primary efforts to agriculture, light industry, and foreign trade during the next two to three years of adjustment period.

In particular, North Korea reshuffled posts in which Kim Yong-sun, Kim Tal-hyon, and other people in charge of South Korean affairs were demoted and in which two new vice presidents were named. This is an interesting development regarding North Korea's policies toward South Korea. Generally speaking, technocrats were on the decline and people from the military became more prominent. However, what had been predicted before the SPA started, the transfer of power to Kim Chong-il, did not take place. Therefore, it is predicted now that such a transfer of power may take place early next year, which marks the 20th anniversary of the official decision to name Kim Chong-il as heir apparent.

What attracted people's attention most was the comeback of Kim Yong-chu, Kim Il-song's younger brother, to the political scene.

He was elected member of the Workers' Party of Korea Central Committee Political Bureau at the 8 December plenary session of the party Central Committee. At that time, he emerged as the seventh highest-ranking official in the North Korea power structure. Following this, he was named as vice president, along with Kim Pyong-sik, chairman of the Social Democratic Party of North Korea. What role Kim Yong-chu will play in North Korea is a matter of great interest.

Eighteen years after he had disappeared, Kim Yong-chu reappeared at a meeting last July on the 40th anniversary of the North Korean victory in the war (armistice). He was listed between Chon Pyong-ho and Han Song-yong, both of whom are members of the Political Bureau. Therefore, his rehabilitation had been expected. A general analysis goes: His appointment to an important

position is intended to consolidate Kim Il-song's family at a time the emergence of Kim Chong-il is imminent.

Similar examples are: Kim Song-ae, Kim Chong-il's step mother, recently extolled Kim Chong-il to the skies at a plenary meeting of the Women's Union, and that North Korea recalled Ambassador to Bulgaria Kim Pyong-il, Kim Chong-il's half brother, home. A noteworthy analysis is that North Korea named Kim Yong-chu as vice president to use him in the North-South dialogue.

Another big change is that North Korea admitted its economic failure and presented a new economic strategy to direct primary efforts to agriculture, light industry, and foreign trade. North Korea revealed on 8 December that it could not fulfill the Third Seven-Year Plan because the socialist markets of the Soviet Union and other countries had collapsed and because North Korea had to increase its defense capabilities due to tension on the Korean peninsula.

Such a shift in North Korean economic policies is important in that its emphasis on agriculture, the light industry, and foreign trade is a significant departure from its traditional emphasis on the heavy industry.

An analysis goes like this: A continued emphasis on heavy industry has caused shortages of food and other necessities of life and other serious economic difficulties.

North Korea's emphasis on foreign trade is interpreted as an intention of continuing the policy of opening up as indicated by the October 1992, adoption of the foreign investment law and the adoption of other laws on opening up.

The organizational restructuring is characterized by the fact that Kim Yong-sun and Kim Tal-hyon were demoted or punished, that Hong Sok-hyong, who is well versed with actual economic affairs, was appointed as chairman of the State Planning Commission, and that two new vice presidents were appointed.

Yang Hyong-sop, who is tantamount to the godfather of the *chuche* idea, was promoted to the 18th ranker (his previous rank was the 32d); Hwang Chang-yop was appointed as chairman of the SPA Foreign Affairs Committee; and a large number of people from the military were appointed as members or candidate members of the party Central Committee. This is noteworthy regarding the fact that technocrats are on the decline. Kim Yong-sun and Kim Tal-hyon represented technocrats who favor opening up. Therefore, their departure will serve as a factor that will dampen South Korean businessmen's enthusiasm for investment in North Korea.

The appointment of Kim Yong-chu and Kim Pyong-sik, chairman of the Social Democratic Party, as vice presidents in addition to the current two vice presidents, Pak Song-chol and Yi Chong-ok, is interpreted as a measure to diversify diplomacy. Given that Kim Pyong-sik was first vice chairman of the General Association of Korean Residents in Japan [Chongnyon], his appointment as

vice president appears to be a measure to consolidate economic ties with Chongnyon.

How North Korea will handle the resolution of the nuclear issue will make it possible to know what North Korea intended in making the organizational reshuffle.

North's Leadership Changes, U.S. Talks Examined

*SK1312031493 Seoul THE KOREA TIMES in English
13 Dec 93 p 6*

[Editorial: "Shift in NK Leadership"]

[Text] We are concerned about what has been taking place in North Korea these days. Any development there affects the interests of South Korea and the future of inter-Korea relations, both political and economic, but we find recent events are particularly significant as they have come in the wake of the North's unprecedented open acknowledgment that its economic growth projects have been fiascoes.

First, there has been a change in the leadership structure in Pyongyang highlighted by the election of North Korean President Kim Il-song's younger brother Yong-chu as vice president Saturday. His appointment came two days after he was reinstated to the all-powerful Workers Party politburo. Kim Pyong-sik, a former leader of pro-Pyongyang Koreans in Japan, will share the vice presidency with him.

Actually, we do not expect much to happen immediately as a result of North Korea's open admission of its economic failure and its leadership reshuffle at the just-ended three-day Supreme People's Assembly session. Neither will it be willing to end its isolationist policy soon nor dispel suspicion about its nuclear development program. But as long as [Kim] Chong-il receives the strong patronage of his father Kim Il-song, no one will be permitted to overpower them in any kind of power struggle. And, given possibility that the aim of uncle Yong-chu's vice presidency is to contribute to bridging the gap between the older and younger members of Pyongyang's aging leadership, his future role needs to be kept under meticulous watch.

Meanwhile, U.S. and North Korean officials reportedly met Friday in New York apparently seeking to solve the nuclear issues in ways acceptable to both sides as well as South Korea. Seoul and Washington are now prepared to make some vital concessions if North Korea accepts international inspections of its nuclear facilities.

North Korea had earlier threatened that it is ready to face war before it allows inspection but it then proposed a week ago to open five relatively minor sites while barring access to two suspected sites believed to be housing a reactor and a nuclear fuel reprocessing plant.

It was wise of the U.S. to have rejected Pyongyang's offer in their meeting Friday. Despite our efforts to seek a

breakthrough to the nuclear issue, we can hardly expect to achieve our goal if North Korea continues its display of unabated intransigence, just delaying things as long as possible until the overall environment turns in its favor.

As a result, we see little chance of major change in its hardline posture following Kim Yong-chu's sudden resurrection and the shuffling of some other major figures.

Daily Discusses North Korean Economic Policy

*SK1312053093 Seoul HANGUK ILBO in Korean
13 Dec 93 p 21*

[By reporter Yu Sung-u: "Who Controls North Korean Economy's Openness"]

[Text] North Korea admitted its economic failure for the first time during the plenary meeting of the party Central Committee and the Supreme People's Army [SPA] meetings, held in succession last week, and showed a willingness to advance toward reform and opening. Thus, it is seeking a turn in the direction of economic policy by forming a new economic team.

The North Korean party's Central Committee has nine offices: Economic Planning, Heavy Industry, Machine Industry, Agriculture, Construction and Transportation, Chemical Industry, Light Industry, Atomic Energy Industry, and Guidance of Resources Development. These offices supervise the Administration Council's committees and ministries, as well as major enterprises in their relevant sectors.

Most of the incumbent high-ranking economic officials in North Korea went overseas to study or returned from overseas around 1955 when North Korea directed all of its strength to postwar rehabilitation projects. After being nominated as guiding functionaries of the central party, they were quickly promoted until now.

Kang Song-san, 62, premier of the Administration Council, was the first one to attempt to implement the opening policy. Kang, a nephew of Kim Il-song, assumed the post of first-term premier from 1984 to 1986. While he held this post, he formulated the Joint-Venture Law, which was regarded as an unprecedented and exceptional law at that time. Thus, he sought external opening and inducement of foreign investments.

He was pulled out of the position in a personnel reshuffle because the conservative faction was against the Joint-Venture Law. However, he continued the research of the object economy [silmul kyongje] while working as responsible secretary of the North Hamgyong Provincial Party. The decision on the Najin-Sonbong free trade zone, which became a stronghold for opening in North Korea, was made when he was serving as secretary of the provincial party. However, Kang is known as a party-oriented figure who pursues openness within the framework of the socialist ideal. Thus, he is being distinguished from the faction pursuing practical interests represented by Kim Tal-hyon.

Kim Tal-hyon, former vice premier, played the role of real power holder in the external economic field while holding the title of chairman of the DPRK International Joint-Venture General Corporation. However, he was recently passed up for promotion to the membership of the party's Political Bureau. His future movements henceforth still attract the people's attention.

Pak Nam-ki (65), former secretary in charge of the economy planning project, who was recently dismissed, graduated from Kim Chaek Technology University and Leningrad University. He is a specialist in heavy industry. He formulated and implemented the Third-Seven Year Plan that North Korea admitted had failed.

Yi Song-tae, who served as vice minister of the Foreign Trade Ministry, conducted behind-the-scenes contacts with our enterprises. He was promoted to chairman of the External Economic Committee composed by the External Economic Work Department and the Trade Department last year. He has played a pivotal role among those who are in favor of an open economy. Kim Chong-u (51), vice chairman of the External Economic Committee, is not yet a senior and his position is low. However, attention has been focused on him because he is one of those who are well versed in open economy. He is the son of Kim Il-song's aunt and a brother-in-law of Ho Tam (died in 1991), comes from Yanggang Province, graduated from the Economic Department of the Kim Il-song University, and served as a delegate to the North-South high-level talks.

In addition to the same mainstream of open economy, Vice Premier Hong Song-nam (69); and Kim Hwan (64), vice premier and minister of the Chemical Industry [as published], are known as progressive figures. Vice Premier Hong, who comes from Wonsan, graduated from Kim Il-song University, was the first North Korean who studied in Prague University, and served as chairman of the State Planning Committee in 1973. In the 12th plenary session of the Sixth Workers Party of Korea Central Committee in 1978, he boldly pointed out the difficulties of the North Korean economy, thus providing a momentum for external joint-venture investment and the introduction of technology. However, he was replaced as chairman of the State Planning Commission by Choe Yong-nim, (incumbent minister of the Metal Industry), who is a hard-liner.

Kim Hwan, who comes from Chuchang County, North Pyongan Province, is a specialist in light industry. He recently led an inspection team to visit China's special economic area. Thus, attention is focused on whether this time North Korea's measures are related to him. In addition, Chong Haeng-taek, governor of the Korean Central Bank; Yun Ki-chong, minister of Finance Ministry; and Kim Kyong-hui, chairman of the Light Industry Committee [as published], who is Kim Chong-il's sister, are known as real economic power holders.

Han Song-yong, Kim Pyong-ho (68), and Kim Pok-sin (67) are the secretaries in charge of the economic fields

within the party. So Kwan-hui (67), secretary in charge of the agricultural field, is the founder of the *chuche* farming method and has formulated and implemented agricultural policy for almost 20 years. Kye Ung-tae (75), who has tagged at Kim Il-song's heels, is now the secretary in charge of public security affairs. In origin, he was responsible for trade diplomacy and, thus, it can be said that he is a senior in the economic circles.

DPRK Said To Reject Russian Logging Conditions

SK1012130293 Seoul YONHAP in English 1157 GMT 10 Dec 93

[Text] Seoul, Dec. 10 (YONHAP)—Working-level talks between Russia and North Korea over the extension of North Korea's logging rights in Siberia have ended without any agreement due to Pyongyang's rejection of the conditions set forth by Russia. According to the NAEWOE press, Radio Moscow reported recently that the talks had broken up and the two sides decided to resume the meeting on Dec. 31. North Korea, the broadcast said, reacted furiously at the Russian conditions, calling them "politically motivated."

At the talks held in Pyongyang, Russia wanted that strict respect for Russian laws with regard to North Korean loggers' basic rights be included in a renewed agreement on Siberian logging. The Moscow broadcast said that with the breakup of the talks, the future of North Korean loggers in Siberia has become uncertain. The Russian Foreign Ministry intends not to allow North Korean security agents into Siberian logging yards any longer, the broadcast added.

Reportage on Events Surrounding GATT Talks

Agriculture Minister Interviewed

SK1112113093 Seoul TONG-A ILBO in Korean 11 Dec 93 p 5

[Report on interview with Ho Sin-haeng, minister of Agriculture, Forestry, and Fisheries and head of the government delegation to the Uruguay Round negotiations, by Cho Hon-chu, TONG-A ILBO economic desk reporter, in Geneva on 10 December]

[Text] Rice is similar to life to our nation, which has existed as an agricultural state for several thousand years. For the minister of Agriculture, Forestry, and Fisheries, who is in charge of policy on overall agricultural products including rice, the waves resulting from the opening during the Uruguay Round [UR] negotiations, which rushed in "tariffication without exception," were excessively high. Ho Sin-haeng, minister of Agriculture, Forestry, and Fisheries, 51, a former scholar in agricultural economy, left Korea on 2 December as the head of a government negotiating delegation. He is now faced with unprecedented high waves from the rice market opening in Brussels and Geneva. On 10 December, one day before negotiations with Mickey

Kantor, the U.S. trade representative, he was interviewed at the Inter-Continental Hotel in Geneva.

[Cho Hon-chu] Since you assumed the post of agricultural minister at a very difficult time, you may be recorded in history books as "the minister who opened the rice market." You must have special feelings about this.

[Ho Sin-haeng] I am sorry for being unable to keep the government's pledge not to open the rice market. I cannot find the words to comfort the farmers for the pain and sorrow they will suffer. [end Ho Sin-haeng]

However, he stressed that the "tariffication without exception" advocated by the UR is now a principle that no member state of the GATT can evade in cruel international society. He explained that if the government wants to evade such a principle, it would have to withdraw from the GATT. Therefore, the minimum opening was an inevitable choice. Since he departed Korea as head of a government negotiating delegation, he has had many sleepless nights due to numerous negotiations and the time difference. As a result, he had tonsillitis and a cold.

[Ho Sin-haeng] Not for a moment have I forgotten the issue of the rice market opening due to the importance of rice in our country's agricultural economy and its political, social, and cultural significance. My fear was even greater of a possible expansion of defeatism that our country's agriculture will collapse after importing rice. Besides, if the farmers' distrust in the government grows, the future of our country's agriculture will be dim. [end Ho Sin-haeng]

He also observed that rice, which has remained within the control of the national economy, will begin to advance into the global economy based on high technology.

[Cho Hon-chu] Since you came to office, you have pushed ahead with new export-oriented agricultural policies, including improvement of the grain administration system and the law on farming land. I think all this can be regarded as measures to prepare for the UR. Nevertheless, voices are continuously resounding to criticize that measures for the UR have been negligent. What do you think?

[Ho Sin-haeng] Even during my busy days, the UR and rice negotiations held me in suspense, like a time bomb. Since 15 December was designated as the deadline for the U.S. Administration's rapid settlement, I thought that a war would be inevitable, and carried out preparations for this. [end Ho Sin-haeng]

While serving as director of the Korea Rural Economy Research Institute before taking office as agricultural minister, he sharply criticized the government's agricultural policy. People have said that since he took the official post, his sharpness has become somewhat dull.

Therefore, I asked him the difference in views between a public servant and a private citizen.

[Ho Sin-haeng] I could speak freely as a private citizen. I keenly realized, however, that each remark and act of a responsible public figure is very important. His estimations and decisions will cause great repercussions and impact. Therefore, he should have a precise comprehension of realities and establish goals that can be attained. He should also elaborately examine the financial burden and effects in a comprehensive manner. This is the very trait that a public figure should cherish. Thus, my faith is firm. The pain we are suffering now will be the foundation for a new great upsurge in Korea's agriculture in 10 years.

[Cho Hon-chu] While observing the UR negotiations, we witnessed a haughty attitude of major negotiating states, including the United States and the EC. Thus, we feel sorrow for being a weak and small nation. Will you explain a little more about the details of the negotiations?

[Ho Sin-haeng] I stressed that in order to protect rice, anything in any field can be discussed. Although the UR negotiations began with bilateral negotiations, it was basically an issue of multilateral parties. Therefore, I had great difficulties. Nevertheless, I tried to persuade our partners up until the last moment of the negotiations. I will make utmost efforts to protect even a grain of rice and to minimize damage to the farmers until the last moment. I can tell you that the government delegation did not assume a low posture but acted in a dignified manner. [end Ho Sin-haeng]

In a meeting with Minister Ho on 9 December, Australia's trade minister demanded the immediate opening of Korea's beef market. Concerning this demand, Minister Ho pointed out that the Dunkel draft is the set theory of advanced countries, which, over 100 years, have completed agricultural structure adjustment. He said that he urged Australian trade minister not to argue pro and con about Korea's beef market, which only has a 10-year history.

Minister Ho said that he was embarrassed by receiving a telephone call in Geneva from his daughter in Seoul, who is in the twelfth grade. She said she was surprised to see about 50 police deployed around Minister Ho's house while demonstrations were ongoing downtown, and asked her father what serious mistake he made to make people demonstrate around her house.

He said: "Frankly speaking, my feeling was gloomy. But I tried to calm down, thinking that this road is my destiny. Although many people criticized me, I believe this work should definitely be done by someone. Therefore, I told my daughter that I am doing what I believe is just with utmost effort and in a dignified manner. This is the way that I fulfill the mission as a scholar in agriculture and as a minister of the state."

Nevertheless, the outcome, which became evident during the ROK-U.S. negotiations on agricultural products, appeared to be far removed from farmers' hope—"absolutely no opening."

[Cho Hon-chu] Is it true that if the UR is settled and the rice market is opened, there will be no hope for our agriculture?

[Ho Sin-haeng] Only if the problem on ensuring the period for adapting to internationalization is not resolved, do we have to worry seriously about the UR. Rather, I think Korea's agriculture can even develop furthermore. In the event that subsidies in each nation are reduced after the settlement of the UR, markets for export of Korean agricultural products will expand. If the government and farmers secure competitiveness against challenges by uniting their strength, our farmers' living standard will reach the level of advanced countries. [end Ho Sin-haeng]

Minister Ho revealed his own faith, in spite of the domestic situation in which farmers and dissident figures staged demonstrations, calling him Ho [meaning falsehood in Chinese letter] Sin [believing] and Haeng [acting].

[Ho Sin-haeng] One should raise problems only after grasping true aspects of the UR correctly. One should not be pessimistic, thinking that agriculture will collapse when it is opened. [end Ho Sin-haeng]

He stressed that we should not give up hope for agriculture, but should overcome the crisis in unity. He also said that the UR negotiations for agricultural products itself is reform of agriculture of the world and is aimed at making all nations prosper through balanced trade in the world. Therefore, the UR negotiations will be an occasion for expediting the strengthening of competitiveness through structure adjustment, which is the kernel of new agricultural policy, and for accelerating high-quality agricultural products and their export.

Concerning the direction of agricultural policy after the UR, Minister Ho emphatically said:

[Ho Sin-haeng] Needless to say, the current agricultural policy must be reviewed. However, if emphasis is given to investing in agriculture as part of a reward in social welfare policy and in the income compensation policy, we cannot basically vitalize our agriculture, although immediate effect would be visible. In other words, we should make an intensive investment in adjustment of production facilities for strengthening competitiveness; in mechanization of agriculture and training of agricultural experts; in technological innovations; in modernization of distribution structure of commodities; and in exploring export markets, with a view to modernizing our agriculture. Otherwise, we will not be able to gain anything even after paying dearly for the opening of agricultural products. [end Ho Sin-haeng]

To a question about his feelings about upcoming talks with Mickey Kantor, Minister Ho said:

[Ho Sin-haeng] Just like a mountain climber who starts with a light step, but becomes out of breath as he approaches the top, I feel my work will become more difficult as days go by. [end Ho Sin-haeng]

Thus, Minister Ho suggested that negotiations with the U.S. side would be very tense.

Concerning his personal movements henceforth, Minister Ho recalled the news conference he gave when he left home in which he clarified that he will bear all responsibility for the result of negotiations and said that he will not be attached to his incumbent position. He also said that during a breakfast meeting with assistant minister-level officials of the delegation he is leading, he told them: "I heard that some people at home are accusing our negotiating team of selling out our agricultural products. I believe that the opening of the markets of our agricultural products according to the UR negotiations will be recorded as a second port opening in our nation's history. Therefore, this will exert great impact on our overall society. Thus, instead of attempting to evade imminent criticism, we should make utmost effort up until last moments of negotiations."

Concluding the interview, Minister Ho particularly asked the reporter to convey his following message: I believe that no matter how difficult our farming situation may be, our sagacious farmers will overcome it at last and will achieve resurrection of agriculture without fail.

Foreign Minister Meets Christopher

SK1312053693 Seoul YONHAP in English 0527 GMT
13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—Foreign Minister Han Sung-chu called on U.S. Secretary of State Warren Christopher on Monday evening to reaffirm the two countries' will for successful Uruguay Round [UR] negotiations as the talks head to the finish line. Han, emphasizing that the multilateral trade talks are in their last stretch, asked for cooperation between Seoul and Washington to iron out all pending bilateral issues.

The phone call took place as the two countries were engaged in intense working-level talks in Geneva with just hours remaining before the trade negotiation committee (TNC) opens at GATT Headquarters early Tuesday morning.

Korean rice market opening is the biggest knot, and the two sides are said to be pulling strings on minimum market access before the matter is taken to the TNC table.

U.S. Said To Intensify Pressure

SK1312042793 Seoul THE KOREA TIMES in English
13 Dec 93 p 8

[By staff reporter Sa Tong-sok]

[Text] With the global trade liberalization talks drawing to an end, the United States is stepping up last-ditch efforts to have its "protectionist" trade steps for some sectors directly related to its national interests be accepted, while mounting pressure for market opening for other nations on the other hand, officials say.

The U.S., an undisputable top economic powerhouse, is now intensifying pressure for both developed and developing countries during the final rounds of negotiations in order to dismantle barriers erected by other countries.

On the contrary, however, it has been stubbornly rejecting foreign demands that it give up its irrational claims in the global multilateral talks to single-handedly enjoy the benefits arising from freer world trade after the conclusion of the Uruguay Round talks, Korean government officials say.

"The most conspicuous, among other things, in Washington's 11th-hour moves in the Uruguay Round talks can be found in its attempt to deviate in many areas from the most-favored-nation (MFN) principle, a golden axiom long cherished under the GATT system after World War II," an official at the Economic Planning Board [EPB] said.

The U.S., on the basis of its immeasurable economic power, exacts obedience from small nations in its attempt to secure maximum national interests in the closing session of the global trade liberalization talks which are scheduled to be wrapped up by Dec. 15. The most vivid example in which the U.S. has been standing by its opinion up to now lies in its attempt to toughen rules governing anti-dumping activities in the new global trade regime despite consistent opposition by the European Community, Japan and the developing world.

The U.S., in defiance of the international trend to soften anti-dumping rules and to have dumping ruling governed by the GATT rules, insists that punitive duties be slapped on goods imported through third countries, a move running counter to the world-wide clamor to boost international trade. At the same time, it also attempts to paralyze the proposed GATT dispute settlement panel by insisting that the function of the panel be confined to judging whether a dumping ruling is rational or not.

"The U.S. appears exerting every effort to bring GATT rules in line with its domestic standards while ignoring internationally accepted regulations," an EPB official said.

Korean government officials, now in Geneva to have last-minute negotiations with the U.S. and other countries ahead of the conclusion of the Uruguay Round

talks, were reportedly urged by U.S. negotiators to support the U.S. stance in the anti-dumping area in exchange for partial guarantees in the locally sensitive rice issue. More importantly, the U.S. refuses to bring its domestic legal framework in line with the new world trade regime out of fear that its powerful "Super 301" or other trade retaliatory rules may be scrapped after the new world trade regime goes into effect.

The U.S. also tries to introduce a "two-tier system" in the new world financial service trade regime, particularly targeting Asian nations and the developing world which U.S. officials often call slow to open their financial markets. The adoption of the "two-tier" system means that the 111-nation GATT will renounce its long-cherished axiom of the MFN principle for the sake of a nation's interest, trade analysts say. Under the "two-tier" formula, those countries which are judged to be slow in financial market opening will be subject to discriminatory treatment in doing business in the U.S. Financial experts say the "two-tier" formula was arranged without giving any consideration to the wide gap in the extent of financial industry development between developing and developed countries around the world.

They say the formula was designed to make it possible for the U.S. to continue its monopoly on the global financial industry.

Another example in which the U.S. is trying to ignore the MFN principle can be found in its dealing with Japan and Korea with regard to the rice issue.

American negotiators, in their series of talks with Japanese and Korean counterparts in Geneva, have reportedly called for the two countries to promise to buy fixed ratios of American rice among to-be-imported foreign rice under the minimum market access formula in behind-the-scenes deals.

Korean trade analysts say such an American demand conflicts with GATT rules which advocate equal opportunity for all GATT members.

"I believe that such a demand comes from U.S. administration's eagerness to reflect the interest of its rice growing farmers ahead of the conclusion of the Uruguay Round talks," an official said.

With the global trade liberalization talks entering the final stage, the official said, it is natural that every country acts to promote its own interests.

"But the U.S. especially looks extreme in acting for its own interests," he said.

Government Agrees to Rice Opening

SK1112052393 Seoul YONHAP in English 0505 GMT
11 Dec 93

[Text] Geneva, Dec. 11 (YONHAP)—South Korea has agreed to open its rice market with a 10-year grace period

for tariffication and minimum market access of 2 percent to 4 percent of its rice consumption during the grace period. Under the agreement, Korea may extend the grace period through renegotiation but must reduce the tariff equivalent, a duty on imports that is the difference between the domestic price and the import price, Korean negotiators said Saturday. The agreement was reached in several rounds of negotiations with the United States in Geneva.

Korea failed to win a three-year import freeze in the negotiations as the United States, along with Australia and New Zealand, opposed such a freeze on the grounds that it is against the principle of the Uruguay Round negotiations. The negotiators said the 10-year grace period was included in a draft world trade accord prepared by market access group chairman Jermain Denis on Wednesday.

Agriculture, Forestry, and Fisheries Minister Ho Sin-haeng, head of the Korean mission to the Uruguay Round negotiations, will meet with U.S. Trade Representative Mickey Kantor and U.S. Agriculture Secretary Mike Espy on Saturday or Sunday in the final negotiations on market opening in the agricultural, manufacturing, and service sectors.

Progress Seen in Farm Talks

*SK1312094393 Seoul YONHAP in English 0937 GMT
13 Dec 93*

[Text] Geneva, Dec. 13 (YONHAP)—A substantial progress has been registered in agricultural goods negotiations between South Korea and the United States here in Geneva, and a package agreement is expected to be made around 7 p.m. Monday local time. It was learned the package accord features that South Korea would open its rice market through a minimum access quota of 2 to 4 percent after a grace of 10 years.

It also stipulates Korea would put off the complete opening of its beef market until 2002 but should drastically expand beef import quota before the complete opening.

The markets of chicken and seven other BOP (balance of payments) items are to be opened beginning 1995. However, high tariff rates are set to be applied to them. The agreement was reached in overnight working-level negotiations that lasted seven hours from 11 p.m. Sunday through 6 a.m. Monday.

An informed source at the Korean negotiation team said Agriculture, Forestry and Fisheries Minister Ho Sin-haeng and U.S. Trade Representative Mickey Kantor would meet at 7 p.m. Monday to put final touches to it.

The source said that in the marathon negotiations his negotiation team put top priority to the rice market issue, thus implying that Korea managed to obtain a 2 to 4 percent minimum access quota after a 10-year grace period as agreed on at earlier Korea-U.S. working-level talks.

As for the beef market, it was agreed to delay the time of Korea's beef market opening, July 1997, which Korea had promised to the General Agreement on Tariffs and Trade (GATT), by five years until July 2002. Before it completely opens its beef market in 2002 at the existing low tariffs, however, Korea is required to drastically expand beef import quotas, the source said.

The markets of eight BOP items—pork, chicken, milk products, tangerine, red pepper, garlic, onion and sesame—are to be opened in 1995 at tariffs much higher than the present rates.

The two sides further agreed that Korea would liberalize the imports of other basic farm goods such as barley, sweet potatoes, corn, potatoes and soy beans in 1995 at tariff rates equivalent to gaps between their domestic and overseas prices, the source said.

Failure To Reach Farm Accord

*SK1312023793 Seoul YONHAP in English 0215 GMT
13 Dec 93*

[Text] Geneva, Dec. 13 (YONHAP)—South Korea and the United States have failed to wrap up a farm deal before the Dec. 13 deadline after running into a wall over opening terms for the Korean beef market. A meeting between Agriculture, Forestry and Fisheries Minister Ho Sin-haeng and U.S. Trade Representative Mickey Kantor set for Sunday was cancelled due to a deadlock in U.S.-EC talks over subsidies for films and aircraft and anti-dumping issues.

Korea is likely to open its rice market without a moratorium through a minimum access quota of between 2 percent and 4 percent and tariffication after a 10-year grace period as agreed in working-level talks with the United States.

Shadow reduction on tariff equivalent (TE), the price gap of domestic rice and imports, takes effect regardless of the grace period, so once Korea opens its market completely through tariffication it will have to apply the reduced TE rate on imports.

"We should have wrapped up a farm pact with the United States by today (Sunday), but we are having difficulties because America is demanding more concessions in beef and items other than rice," Ho told reporters.

Seoul and Washington are holding working-level meetings and, if they find an agreement, Ho is expected to meet with his U.S. counterpart, Mike Espy, later in the day.

Bilateral talks are said to be going nowhere as Washington has clearly opposed Korea's much-hoped-for moratorium on rice imports and demands complete opening of the beef market through the current 20 percent tariff under General Agreement on Tariffs and Trade (GATT) not Uruguay Round [UR] terms. Saying it is like getting blood out of a stone negotiating with

U.S. officials, Ho diagnosed the current talks to be in bad shape and on the verge of jeopardizing the hard-won rice agreement.

Reversing its earlier flexible position, Washington holds that Korea can no longer restrict imports of nine farm products on the grounds of improving its balance of payments [BOP] under GATT rules and must completely liberalize them from July 1, 1997.

Korea limits beef, pork, chicken, dairy product, tangerine, hot pepper, garlic, onion and sesame imports under BOP Article 18 of GATT.

U.S. delegates argue that Korea now has a surplus international balance of payments and can no longer hide behind GATT benefits.

Seoul wants either BOP or UR terms on beef, but Washington wants Korea to open at the low 20-percent tariff rate, not the TE of the UR pact nor any high tariffication.

While insisting on TE conditions, Korea is studying an emergency import restriction instrument that automatically raises tariffs when imports exceed 125 percent for three years to protect its beef market in case it succumbs to tariff rates.

Ho is said to have instructed Korean working-level delegates not to give in to the U.S. negotiators.

Meanwhile, GATT headquarters announced that the deadline for submitting country reports on market access will be put off to Tuesday afternoon due to stalled negotiations.

GATT Director-General Peter Sutherland has observed that the endless tug-of-war between United States and European Community is "seriously worrisome" just three days before the make-or-break deadline on the world trade accord.

Government Procurement Market To Open

SK1112065093 Seoul THE KOREA HERALD in
English 11 Dec 93 p 8

[Text] Korea's government procurement market will be opened wider, with even construction projects valued at more than 4.5 million special drawing rights (SDRs) (about 5 billion won) and ordered by state-financed institutions being awarded to foreign competitors possibly from 1997. The limit for the opening of the construction market for local government projects will also be lowered from 15 million SDRs (about 16 billion won) to 4.5 million SDRs, the Ministry of Construction said yesterday.

Korea agreed to make the concessions as demanded by the United States and the EC as preconditions for Korea to join the Government Procurement Agreement (GPA), said Kwon Chong-ho, chief of the ministry's foreign cooperation division. Twenty countries are members of the GPA, a special committee of the General Agreement

on Tariffs and Trade (GATT). He said Korea earlier promised to open to foreign competition only construction projects valued at more than 4.5 million SDRs and ordered by the central government and those valued at more than 15 million SDRs and ordered by local governments.

GPA members including the United States, however, insisted that they cannot allow Korea to join the GPA unless it opened its government procurement market wider, the official said.

In the meantime, Korea agreed to make additional concessions in the construction service sector during the Uruguay Round of multilateral trade talks now being held under the auspices of the GATT in Geneva.

Under the latest proposal, Korea will issue licenses to locally incorporated affiliates wholly owned by foreign construction companies for general construction projects from next year. They will be allowed to obtain licenses for specialty construction work from January 1996.

Foreign construction companies will be authorized to engage in general construction work from January 1996 and specialty construction work from January 1998 by setting up branches here.

Currently, foreign firms are permitted in the local construction market only through joint ventures with local construction firms. From 1996, foreign architects will be allowed to provide services through joint contracts with local architects licensed under Korean law. The leasing of construction machinery and equipment will be authorized from 1996.

Korea also agreed to allow foreign companies to acquire land used for supply services during the course of normal business activities, for housing company officials and for constructing auxiliary buildings. Foreign banking institutions and manufacturing companies are now allowed to possess land for building factories.

An amendment to a law governing the utilization and acquisition of land by foreigners is likely to be approved by the plenary session of the National Assembly, the ministry official said.

Representatives from local associations related to the construction industry called for steps to minimize the possible impact of the market-opening measure in a meeting hurriedly convened at the ministry Thursday.

Industry analysts express worry that local construction companies may be degraded into subcontractors of giant foreign competitors, believed to have a competitive edge with ample funds and advanced technology, after the local market opens wider. Foreign firms are expected to enter into the local market in such fields as consulting and engineering rather than construction itself, they said. But Kwon said the market-opening measure would not have a great impact on local construction firms because of difficulties facing foreign competitors such as securing the necessary manpower.

Agreement Reached on Export Policy

*SK1312014993 Seoul YONHAP in English 0137 GMT
13 Dec 93*

[Text] Geneva, Dec. 13 (YONHAP)—Delegates to the Uruguay Round [UR] trade talks agreed Sunday to ban subsidies for exports and import replacements, such as export bounty and import replacement bonus, effective 1995, dealing a blow to South Korea's export policy. It is a revision to the accord on subsidies and countervailing duties established in the Tokyo round of the multilateral trade talks under the auspices of the General Agreement on Tariffs and Trade in 1978.

The government will face restrictions in using funds set aside to support exports and investment in export industries, and in reducing taxation support for export industries.

Under the new accord, subsidies for industrial research and development (R&D) will be limited to 50 percent of the cost in basic R&D and 25 percent in applied R&D. This will also pose considerable restraint on industrial R&D activity in Korea.

The new accord restricts the conditions of advanced countries for imposing countervailing duties on imports, while checking developing countries' unreasonable protectionist policy for their domestic industries. This will advantage Korea's export industry.

Financial Market Talks With U.S.

*SK1312022493 Seoul THE KOREA TIMES in English
13 Dec 93 p 9*

[Text] Geneva (special)—The United States has indicated its intention to continue to hold bilateral financial policy talks with Korea to seek the wider opening of Seoul's financial market even if the Uruguay Round of multilateral trade and financial services talks are successfully concluded this week.

Washington threatened to grant most-favored-nation (MFN) status only to countries opening their financial markets. But Korea's Ministry of Finance [MOF] officials said it is against the spirit of GATT if the United States seeks bilateral negotiations even after the conclusion of the Uruguay Round of "multilateral talks."

Seoul also threatened to cancel all its concessions on the financial market-opening in the Uruguay Round of multilateral trade and financial services talks if the U.S. sticks to the discriminatory application of MFN status. In negotiations with the United States Saturday, Korea agreed to permit foreign financial institutions to develop new products and not to forcibly allocate monetary stabilization bonds to some of trust accounts of foreign banks.

Seoul also agreed to authorize foreign banks to expand their won funding sources by increasing the issuance of certificates of deposit (CDs) in accordance with its pre-announced timetable.

Korea decided to accommodate the U.S. call for improving the operating environment for foreign banks.

Korea will give foreigners, who are regarded as residents in accordance with Korea's Securities & Exchange Act, national treatment when they invest in local stocks from next year. They will not be subject to the 10 percent foreign stock ownership ceiling when they invest in local stocks from next year.

Emerging from a meeting with his U.S. counterpart Jeffrey Shafer, Assistant Finance Minister Im Chang-yol told reporters Saturday and Sunday that Korea will accommodate part of "reasonable" demands from the United States and the European Community. Im said foreign financial institutions here will be able to develop and sell whatever financial products as long as these instruments are not against the existing financial laws and rules. He said the United States has asked Korea to link Seoul's five-year financial reform plan to the Uruguay Round in a more concrete and specific way and to accelerate its pre-announced time table.

Washington has called on Seoul to specify to what extent and when Korea will increase the foreign stock ownership ceiling, currently set at 10 percent. Im said Seoul will increase the ceiling sometime between 1994 and 1995 as was specified in the original financial reform plan but added that Korea cannot exactly specify the extent of the ceiling increase in the Uruguay Round offer list in view of its impact on the nation's money supply, inflation, foreign exchange rate movement.

U.S. called upon Korea to permit foreign fund managers to set up a wholly-owned subsidiary in Korea and eliminate "the economic needs test (ENT)" requirement when foreign financial institutions seek to open offices, branches and subsidiaries here. Under the ENT requirement, the MOF can reject applications for opening offices from local and foreign financial institutions even if they meet all criteria set by the government, when the new license is not necessary for the "healthy and sound development of the economy and the financial market." But the MOF has never used the ENT requirement to reject foreign application to open offices here.

The U.S. request is a call for permitting foreign financial services providers to freely open their offices here without restrictions.

Shafer also asked Im to regard head office capital of foreign bank branches operating here as their capital, which Seoul rejected to protect depositors and soundness of the Korean financial system.

If the U.S. request is accepted, the Seoul branch of the Citibank, for example, will have larger capital than the combined capital of five major Seoul-based Korean commercial banks. A variety of business opportunities are linked to the size of capital in Korea.

A Ministry of Finance official said, "If the U.S. request is accommodated, the capital of all foreign banks here

will increase by 160 times, which will deal a serious threat to the Korean banks."

Trade Minister Pledges to Farmers

*SK1312063693 Seoul YONHAP in English 0625 GMT
13 Dec 93*

[Text] Seoul, Dec. 13 (YONHAP)—Trade, Industry and Energy Minister Kim Chol-su pledged to increase non-farming income for farmers by siting factories in rural areas on Monday to compensate them for their losses as a result of farm market opening.

Korea will open its farming, financial and service sectors on schedule under its Uruguay Round commitment, but will make the most of the grace periods to revamp its industry and strengthen its competitiveness, Kim told a seminar. Liberalization of the farming, financial and service markets is unavoidable under the global trade accord, which will increase world income and improve the unfair trade regulations of advanced countries, and so boost Korea's exports, he said.

To increase profits under freer trade, Korean industry must be more competitive to balance difficulties at home with profits won abroad, he said.

To raise industrial competitiveness, there must be radical steps to draw in foreign investment and make industry technologically oriented by utilizing supports approved under the accord, he said. Kim said he will expand the supply of home-grown agricultural machinery and boost exports of farm products to finance supports.

Government Strategy Discussed

*SK1112124793 Seoul CHUNGANG ILBO in Korean
11 Dec 93 p 1*

[By correspondents Yi Chang-kyu and Pak Ui-chun from Geneva]

[Text] The ROK negotiating team, which has requested the United States to freeze the importation of rice for a certain period, is using all its negotiating efforts to minimize the early-stage import volume in case the request is not accepted. However, the negotiations are in turbulence because the United States is requesting in the last stage to increase beef import volume and to open more of the financial sector.

According to a Geneva source, after the ROK and the United States had agreed on a 10-year grace period for rice imports, the ROK requested an actual freeze on rice imports for the first three years. In case this request is not accepted, however, the ROK is persuading the United States to make the market access during the first years not to exceed at maximum of 1 percent.

Kang Pong-kyun, director of the External Coordination Office [of the Economic Planning Board], also said in a briefing session on 10 December that the negotiations

are focusing on how to adjust the minimum market access rate during the grace period.

If a freeze period for a certain time is accepted, it means the minimum market access rate during the grace period will be between zero to 4 percent. However, the U.S. working-level officials are showing a negative attitude to this proposal. In this regard, it is difficult to have a freeze period for a certain time, and it is analyzed that it is most probable that the minimum market access rate will be from 1 to 4 percent. If 1 percent is imported, the annual volume will be about 360,000 som [one som is equivalent to 5.12 U.S. bushels].

On the other hand, working-level talks on major agricultural items other than rice are under way. The negotiations are in turbulence because the United States is requesting the ROK to increase current beef import quotas.

In the ROK-U.S. working-level meeting on agricultural products, the United States is demanding various hard conditions in return for giving the ROK the practical benefit of tariffication on nine agricultural items related to the balance of payment, BOP.

Particularly in the case of beef, the United States is requesting to double the import quota under current tariffs in exchange for allowing high tariffs equivalent to the value subject to tariffication for six years beginning 1995.

The ROK is insisting that this is against the agreement made at the ministerial level. The result is noteworthy because it is in gear with the rice negotiations.

Aiming at the omission of most preferred country treatment, which is the financial market's equivalent to Article 301, of certain countries through the Uruguay Round [UR], the United States is requesting that the ROK notify it of concrete figures and plans to open the financial market.

The financial pressure, which is emerging as a major obstacle to the final-stage resolution of the UR, means that the United States would seek arbitrary retaliatory measures on countries whose financial market opening is judged unsatisfactory by the United States.

Representatives Meet U.S. Envoy

*SK1012135093 Seoul KBS-1 Television Network in
Korean 1230 GMT 10 Dec 93*

[Text] Five representatives of the Pan-National Emergency Countermeasure Committee Against the Import of Rice and Basic Agricultural Products, including its Standing Chairman Kim Song-hun, have met with U.S. Ambassador James Laney at the U.S. Embassy, located at Sejong-ro in Seoul. They delivered to Ambassador Laney an open questionnaire sent to the U.S. Government. At the meeting, Ambassador Laney said that, because the Uruguay Round negotiations are multilateral negotiations, it is unreasonable to look at the United

States as the one putting pressure on the ROK to open its rice markets. Ambassador Laney added that the United States is supporting the ROK's position at the Uruguay Round of negotiations.

200 Students Protest at U.S. Embassy

SK1312131693 Seoul KBS-1 Television Network in Korean 1226 GMT 13 Dec 93

[Text] Approximately 200 students of the National Federation of General Student Councils held a meeting in front of the U.S. Embassy in Sejongno, Seoul, this afternoon. They said that the United States was trying to force our country to open imports of rice and other basic agricultural goods, even while it restricts imports of 14 agricultural goods to protect its farmers. They demanded that the United States immediately stop pressuring our country to open our rice market. They voluntarily dispersed after 40 minutes.

Nationwide Rallies Reported 11 Dec

SK1112104193 Seoul YONHAP in English 1031 GMT 11 Dec 93

[Text] Seoul, Dec. 11 (YONHAP)—Rallies against the opening of rice market were held in Seoul and 24 other areas across the country on Saturday [11 December] afternoon. About 20,000 farmers, workers and students took part.

The Pan-National Committee for Thwarting the Opening of Imports of Rice and Other Basic Farm Goods (Pomdaewi) held a rally at the Pagoda Park in Seoul at 2:20 p.m. At the rally attended by about 100 leading figures from various social sectors, the "second day for practicing resistance to rice market opening" was declared and signatures were collected from passers-by against the rice market opening.

Pomdaewi organized similar rallies in 24 other cities and counties, including Taegu, Taejon and Wonju. In a declaration of the launching of a signature collection drive, Pomdaewi demanded a national referendum on the rice market issue, saying that final decision on the opening of rice market should be left to people's judgment.

About 1,000 farmers and workers held a similar protest rally at the same park at 3:30 p.m. It was organized jointly by Chonnong (National Association of Farmers' Societies) and Chonnoda (National Conference of Union Representatives). Following the rally, participants marched about 2.5km to the Myong-dong Catholic Church.

About 3,000 students of Hanchongnyon [Korean Federation of General Student Councils] held rallies at their campuses before they proceeded to several major street intersections to distribute leaflets to passers-by and collect signatures against the opening of rice market. Many of the students assembled at the Pagoda Park around 4 p.m. to stage street demonstrations. Some

groups of them sought to proceed toward Chongwadae [presidential office] and the American Embassy, clashing with riot police in the process. A group of 83 high school boys trying to attend a protest rally were rounded up by police near the head office of the Korea Exchange Bank around 3:50 p.m.

Farmers Stage Protest

SK1312114993 Seoul YONHAP in English 1128 GMT 13 Dec 93

[Text] Haenam, Dec. 13 (YONHAP)—About 100 members of the Haenam Farmers Society, South Cholla Province drove about 70 tractors and other farm machines to the yard of the Haenam County office shortly after noon Monday to stage a demonstration in protest against the opening of the rice market. The demonstrating farmers from nearly Okchon, Hyonsan, Sani and Songji townships said they were turning in their farm machines and asked the county office to accept them. As their demand went unheeded to, they burned a rice transplanter around 6 p.m. The farmers also demanded the county commissioner's apology over the beating of a farmer by a township official over the weekend.

Yi Chong-yol, 35, of Maengjin-ri, Masan-myon, was assaulted by a Masan Township official last Saturday when Yi tried to set fire to his tractor in front of the township office.

County commissioner Min Hwa-sik offered an apology over the incident as demanded by farmers, and asked farmers to cooperate in authorities so that "there won't be any bigger incident." The protesting farmers rejected the apology as "insincere," vowing to carry on their demonstrations unless their demand is met.

Cardinal Opposes Rice Policy

SK1312005693 Seoul YONHAP in English 0003 GMT 13 Dec 93

[Text] Seoul, Dec. 13 (YONHAP)—Stephen Cardinal Kim Su-hwan has urged the government to solidify national opinion over the issue of opening the country's rice market to imports.

Kim used his sermon Sunday to tell the government it should objectively analyze the effects of rice imports on the national interest and show the results of its study to the people. It is time to think about the rice market and farm problems coolly, the cardinal said in his 20-minute sermon.

"The farm is our home and rice is our blood and spirit, and it has sustained our lives for more than 5,000 years. It's heartbreaking not to be able to protect our rice market, and it is emotionally difficult to accept (imports)," Kim said.

"If the impoverished conditions of our farm villages continue as a result of rice imports, it will result in social,

economic and political unrest and create a crack in the friendly relationship between Korea and the United States."

The cardinal said that if there still was room for negotiation and if the United States really valued friendly relations, the United States should try to understand the emotional attachment of Koreans to their rice.

"Our farm problem, aside from the problem of opening the rice market, has started from the people's apathy toward our farms during the process of industrialization," he said.

Therefore, both the government and the people have to deeply reflect their past mistakes and work hard to revive and save the country's farms, Kim said.

Government Raises Funding for Rice

SK1112024393 Seoul YONHAP in English 0118 GMT 11 Dec 93

[Text] Seoul, Dec. 11 (YONHAP)—The government has budgeted 1.24 trillion won (1.55 billion U.S. dollars) to finance various projects to make rice more competitive next year, the Agriculture, Forestry, and Fisheries Ministry said Saturday. The figure represents a 26.8 percent gain over this year's and compares with the average increase of 13.7 percent in the overall general account budget.

The goal is a 30-percent reduction by 1998 in the cost of growing rice. Government support for the rice farming has risen from 411.4 billion won in 1988 to 654.1 billion won in 1991 and 981.7 billion won in 1992.

Nearly 30 percent of the money or 424.1 billion won will be spent on mechanization. This will lift the number of farms that are completely automated from 5,000 to 10,000, and the number of specialized farming companies from 272 to 300.

The state will provide farmers with financial support to help them buy 179,000 farm implements, up from 156,000 this year.

To improve rice quality and distribution, the government will build 70 silos next year under a plan to increase their number to 300 by 1998. It will spend 63 billion won to improve waterways in rice paddies, 144.7 billion won to develop water sources and 67.8 billion won to improve irrigation systems.

Bangladesh Foreign Minister Continues Visit

BK1212023093 Dhaka Radio Bangladesh Network in Bengali 0130 GMT 12 Dec 93

[Text] Foreign Minister Mustafizur Rahman, who is now on a visit to South Korea, addressed an assembly of industrialists and representatives of business organizations in Seoul yesterday. He explained to them the investment opportunities available to foreign investors

in Bangladesh. Mr. Rahman also spoke about the market-oriented reforms, new industrial and investment policies, liberal exchange control regulations, and various incentives provided by the government to foreign investors in Bangladesh. The foreign minister invited the Korean industrialists to make investments in Bangladesh and assured them of all possible support and cooperation of the Government of Bangladesh. Mr. Mustafizur Rahman also called on the acting president of the Korean Federation of Small Industries, Mr. (Yi Yong-song).

'Major Contents' of Draft Revised NSP Law

SK1112004793 Seoul HANGUK ILBO in Korean 8 Dec 93 p 2

[“Major Contents of the Draft Revised Law on the Agency for National Security Planning (NSP)”]

[Text] 1. Activities to collect intelligence on anti-espionage, anti-terrorist and international criminal organizations, will be added.

2. The right of investigation will be exercised on the crime of rebellion and foreign currency exchanges prescribed in the criminal law, as well as on the crime of revolt, the crime of illegal use of passwords, the crime of military intelligence and security law (except the crime of praising and encouraging the enemy and the crime of non-notification). The investigation right will also be exercised on the crime pertaining to the conduct of NSP members.

3. The investigation of security affairs of government organizations will be abolished.

4. In the case of particular necessity for the execution of a mission, branch offices may be established in special cities and cities under direct supervision of the government with approval of the president.

5. Joining a political party and engaging in political activities by the NSP director, deputy directors, and other staffs will be prohibited.

6. Political activities by NSP members as prescribed in the following will be prohibited: Support or disturbance of the formation of and joining a political party or political organization; dissemination of opinions supporting or opposing a certain political party and politician; expression of praise or slandering of a political party or politician; support for or disturbance of fundraising for a political party or politician; the act of using or making one use the funds of government invested-organizations and state-run organizations. In case of violation, there will be a maximum sentence of five-years imprisonment and suspension of rights.

7. Arrest and confinement without following the legal procedure will be prohibited. In case of violation, there will be a maximum of seven-years imprisonment and suspension of rights. NSP investigators will be under

obligation to abide by legal procedure in the course of investigation, including ensuring the right of a defendant and suspect to meet family members and lawyers as prescribed in the Criminal Procedure Law. In case of violation, there will be a maximum of one-year imprisonment and fine amounting to less than five million won.

8. The NSP is responsible for submitting detailed materials required for substantive examination of the NSP budget to the National Assembly Intelligence Committee; examination of the NSP budget by the Intelligence Committee will be conducted in a closed-door manner in principle and the opening of the budget and leakage of secrets by committee members will be prohibited.

9. When the National Assembly Intelligence Committee demands materials pursuant to the Law on the Intelligence Committee and the Law on Testimony and Appraisal, the NSP director retains the right to refuse submitting materials or testimony only on issues that have an important impact on the nation's security and safety.

10. The NSP is responsible for reporting the result of audits of the budget and accounts in each office and the result of inspections of NSP employees to the president and to the National Assembly Intelligence Committee.

11. The Intelligence Adjustment Council will be disbanded.

12. In case of the crime of forming organizations benefiting the enemy and the crime of publishing documents, books, and other publications benefiting the enemy pursuant to the National Security Law, as well as of the crime of preliminary conspiracy, the NSP is entitled to investigate these crimes for the limited period of one year after this law comes into effect. The crimes that exclude the investigation right of the NSP will be transferred to other investigation organizations within three months after this law comes into effect.

Former Opposition Leader Returns From Bangkok
SK1212082693 Seoul YONHAP in English 0724 GMT
12 Dec 93

[Text] Seoul, Dec. 12 (YONHAP)—Former opposition leader Kim Tae-chung returned on Sunday afternoon from Bangkok, where he attended the inaugural meeting of a caucus of Asian liberals and democrats. Kim said in a keynote speech that economic prosperity is impossible without democratization and that democratization is an irreversible trend in Asia. Kim also met with Former Bangkok Mayor Chamlong Simuang, who led the pro-democracy movement in May last year, and exchanged views on democracy and human rights in Asia.

Brunei, Malaysia & Singapore

Malaysia

Most Malaysians 'Offended' by Keating Remarks

BK0812145493 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 8 Dec 93

[Text] Datuk Sri Dr. Mahathir said today that Malaysia is not hostile to Australia, but most Malaysians are offended by the Australian leader's remarks about the Malaysian prime minister. Dr. Mahathir said the majority of Malaysians, including opposition party leaders, have criticized Australian Prime Minister Paul Keating for his remarks.

Commenting on the actions taken by several ministers and government agencies that want to boycott Australia or downgrade diplomatic ties, Dr. Mahathir said it is not his habit to tell his cabinet ministers what to do. However, the prime minister admitted that relations with Australia are now seriously strained. Dr. Mahathir went on to say that Australia is free to criticize Malaysia because that country is under a democratic system, but the criticism must not be in the form of personal insults.

Cabinet Resumes Normal Ties With Australia

BK1112085693 Kuala Lumpur BERNAMA in English 0741 GMT 11 Dec 93

[Text] Kuala Lumpur, Dec 11 (BERNAMA)—Malaysia will resume normal ties with Australia following the cabinet decision Saturday to put an end to the diplomatic row between the two countries.

Deputy Prime Minister Anwar Ibrahim said the cabinet decision was made out of respect for the wishes and sentiment of the Australian people.

He added: We have to put an end to this row between Malaysia and Australia to respect the wishes and sentiment of the Australian people.

Normal relations between both countries will resume and this is the end of it.

He was speaking to reporters at the Putra World Trade Centre here.

Australian Prime Minister Paul Keating sparked the row when he called Dr. Mahathir recalcitrant for not attending the Asia Pacific Economic Cooperation forum informal summit in Seattle last month.

Wisma Putra (Foreign Ministry) submitted a paper on the row to the cabinet at its meeting here Saturday.

Anwar said the move to end the row was a unanimous decision by the cabinet. A statement would be issued later.

Dr. Mahathir chaired the meeting which started at about 9.15 am at the Prime Minister's Department after he returned from briefing the King Sultan Azlan Shah on its agenda.

Mahathir Cited on End of Dispute With Australia

BK1112093293 Kuala Lumpur BERNAMA in English 0911 GMT 11 Dec 93

[Text] Kuala Lumpur, Dec 11 (OANA-BERNAMA)—The Malaysian Government will not take any action against Australia after taking into account the reactions and sentiments of the peoples of the two countries and Australian Prime Minister Paul Keating's recent statement of regret, Dr. Mahathir Mohamed said Saturday.

He said the government felt that the matter had brought about greater Australian awareness of the sensitivities of Malaysians which should help similar incidents in future, the government does not wish to prolong this issue and will take no further action. The matter should now be regarded as closed, the prime minister said in a press statement released by his office, here.

Dr. Mahathir said the cabinet had considered the reactions of Australians in general to their prime minister's remarks which had adversely affected the relationship between the two countries.

Cambodia

Sirivut Meets U.S. Assistant State Secretary

BK1312074993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 13 Dec 93

[Text] Mr. Winston Lord, U.S. assistant secretary of state, and some senior U.S. officials arrived in Phnom Penh at 1200 on 12 December for a two-day official visit to the Kingdom of Cambodia. Later, the U.S. assistant secretary of state was received by Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation, at the Foreign Ministry.

Prince Norodom Sirivut welcomed Mr. Winston Lord's visit to Cambodia, considering it an imposing honor for the Cambodian people. He thanked the United States for its assistance in infrastructural construction, which is a priority for the reconstruction of Cambodia, and for its contribution to the process of seeking peace and national reconciliation as well as promoting the implementation of democracy in the country. The prince underlined that the Cambodian peace process depends on three indispensable factors; that is, the presence of the UN forces in Cambodia, the participation of the people, and the initiative of the king. He reaffirmed the Cambodian people's willingness to further expand the good relations with the United States.

Prince Norodom Sirivut also informed his guest about the current situation in Cambodia, stressing the Royal Government of Cambodia's concern about rebuilding the country, implementing democracy, respecting human rights, and consolidating diverse legal systems of the Kingdom of Cambodia.

Mr. Winston Lord appreciated the essential role played by His Majesty King Norodom Sihanouk Varaman in the process of seeking peace, national reconciliation, and the reconstruction of Cambodia. He highly valued the progress made by Cambodia, especially in the implementation of democracy and respect for human rights. The U.S. assistant secretary of state reaffirmed that the United States would continue its contribution to the restoration and reconstruction of Cambodia. On behalf of the U.S. President and secretary of state and in his own name, he wished His Majesty King Norodom Sihanouk Varaman a speedy recovery so he can remain the cool shade for the Cambodian people.

Thai Foreign Minister Arrives in Phnom Penh

BK1112120993 Phnom Penh AKP in French 1028 GMT 11 Dec 93

[Text] Phnom Penh 11 Dec (AKP)—The foreign minister of the Kingdom of Thailand, Mr. Prasong Sunsiri, arrived in Phnom Penh on the morning of 11 December for a two-day official visit to Cambodia.

The purpose of the trip is to arrange a visit to Cambodia by the Thai prime minister, Mr. Chuan Likphai, scheduled for early next year.

While in Cambodia, the Thai foreign minister will meet with the prime ministers of the Kingdom of Cambodia, Prince Krompreah Norodom Ranariddh and Mr. Hun Sen; and his counterpart, Foreign Minister Norodom Sirivut. He also plans to visit Sihanoukville on 12 December before returning to Bangkok.

The visit by the Thai diplomatic chief coincides with the arrival of Mr. Winston Lord, U.S. Assistant Secretary of State for East Asia and the Pacific, in Phnom Penh on 12 December. The latter will be accompanied by Mr. Kent M. Weidemann, special assistant to the U.S. president and director for East Asian and Pacific affairs; and Mr. Kenneth M. Quinn, deputy assistant secretary of state for East Asian and Pacific affairs.

According to a State Department source, Mr. Lord will discuss with Cambodian leaders the two countries' cooperation in matters of peace and democracy.

Meets With Prime Ministers 11 Dec

BK1212023893 Bangkok Radio Thailand Network in English 0000 GMT 12 Dec 93

[Text] Foreign Minister Prasong Sunsiri is now on a two-day visit to the Kingdom of Cambodia to strengthen bilateral relations. The visit scheduled for 11 and 12 December is at the invitation of Cambodian Deputy

Prime Minister and Minister of Foreign Affairs and International Cooperation Prince Norodom Sirivut. It is the first high-level visit to Cambodia by Thailand after the formation of the Royal Government of Cambodia in late October this year.

Foreign Minister Prasong held talks with Prince Krompreah Norodom Ranariddh, the first Cambodian prime minister; and Mr. Hun Sen, the second Cambodian prime minister, yesterday. The talks focus on the strengthening of relations between the two countries and progress of negotiations between them made during the visit to Thailand in August by the two Cambodian prime ministers.

Presents Friendship School Uniforms

BK1212135493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 12 Dec 93

[Text] Prince Krompreah Norodom Ranariddh and His Excellency [H.E.] Hun Sen, first and second prime ministers of the Royal Government of Cambodia [RGC] respectively, received H.E. Prasong Sunsiri, foreign minister of the Kingdom of Thailand, and his aides at the Council of Ministers office on the afternoon of 11 December. The two Cambodian prime ministers were pleased to welcome the Thai foreign minister to the Kingdom of Cambodia, saying his visit would expand and reinforce the time-honored relations of solidarity and friendship between the two countries. The Cambodian Government heads thanked the Royal Thai Government for its contribution to the process of seeking peace and national reconciliation in Cambodia and its efforts in restoring and rebuilding the country.

On the Thai Government's behalf and in his own name, H.E. Prasong Sunsiri welcomed and supported the formation of a legitimate Cambodian Government under the Kingdom of Cambodia's Constitution. He also informed the Cambodian leaders that H.E. Chuan Likphai, prime minister of the Kingdom of Thailand, would visit the Kingdom of Cambodia in mid-January 1994.

The Thai foreign minister also reaffirmed that the Thai Government would further do its best to support, assist, and cooperate with the Cambodian Government to restore and rebuild Cambodia. Moreover, the Thai Government would do what it could to develop and strengthen the relations between Thailand and Cambodia in the interests of both countries.

H.E. Prasong Sunsiri handed over to the Cambodian Government 10,000 military uniforms and the documents concerning the Cambodian-Thai Friendship primary school in Banteay Meanchey Province donated by the Thai Government to the Cambodian Government and people.

Discusses Weapons Seizure, Return

*BK1212014693 Bangkok THE NATION in English
12 Dec 93 p 1*

[Excerpts] Phnom Penh—War weapons uncovered by police in Chanthaburi province will be returned to the original suppliers if they ask for them, Foreign Minister Prasong Sunsiri said here yesterday. Thailand was only a transit country for the weapons, which were originally intended for Cambodian factions fighting the former Vietnamese-backed Phnom Penh government, he said.

Military authorities retained them, intending to keep them only temporarily, when the war ended.

"Thailand is keeping the weapons, waiting to hand them over to the real owners. Anyway, Thailand will return the weapons only if the owners ask us for them," he said. He declined to identify the "owner". However, Defence Minister Wichit Sukmak insisted yesterday that the weapons became Army property after the signing of the Paris peace agreement.

"The arms stockpiles never belonged to the Khmer Rouge or any other Cambodian faction," Gen Wichit said.

Asked to comment on Prasong's proposal to return the weapons to the donor countries, Wichit said: "This is a matter of national security."

The foreign minister's comments also appeared to contradict Thai Army Commander-in-Chief Wimon Wongwanit, who has said the weapons cache would be used by the Thai military for border defence.

Prasong was speaking in Cambodia on the first day of an official visit at the invitation of his Cambodian counterpart Prince Norodom Sirivut. He told reporters before leaving Bangkok that he was well briefed to answer any questions from Cambodian officials about the weaponry. [passage omitted on discovery of arms cache]

In Phnom Penh, a senior military officer said yesterday he believed the stockpiled weapons should be handed over to the new Cambodian government. The officer, who asked not to be named, said however, this would be a matter for government-to-government talks.

"After the Cambodian factions signed the Paris peace agreement, each of the Cambodian factions, including the Khmer Rouge, tried either directly or indirectly to get the Thai government to hand over the weapons," he said.

The Thai military had turned down their requests to show the sincerity of the government's policy of supporting only the legitimate government.

Two senior ministers of the Phnom Penh government, Defence Minister Gen Tie Banh and Prince Sirivut yesterday expressed their appreciation for the actions of Thai police in seizing the truckload of weapons.

Tie Banh said he was quite satisfied with the Thai explanation. Prasong's visit was a show of sincerity which had helped to settle the matter and reduce mistrust of Thailand over its policy regarding the Khmer Rouge faction. He declined to comment on reports the weapons may be destined for the Khmer Rouge, saying that it was an internal matter for the Thai police. However, weapons were the main requirement for prolonging any war and any action which reduced their availability would help bring peace.

Prince Sirivut said Thailand and Cambodia had agreed to speed up operations to suppress cross-border smuggling of war weapons and illegal immigrants when the two prime ministers visited Bangkok in October.

Prasong yesterday donated 10,000 military uniforms to the Cambodian government as a gift from Thailand, as requested earlier by Phnom Penh, and handed over two schools built under a joint project in Banteay Meanchey. [passage omitted]

Meets With Norodom Sirivut

*BK1212020093 Bangkok THE SUNDAY POST in
English 12 Dec 93 p 2*

[Text] Cambodian Foreign Minister Prince Norodom Sirivut yesterday asked his Thai counterpart, Sqn Ldr [Squadron Leader] Prasong Sunsiri, for maritime and border talks. He said his government would appoint a new ambassador to Thailand and resume full diplomatic relations as soon as possible.

During a two-hour discussion, the prince said he had stressed land border checks to counter illegal entry to either country.

Prince Sirivut, who described yesterday's talks as quite positive said the discussion touched on business contracts that Thai businessmen had made with the different warring factions. However, he said it was very difficult to say whether the Cambodian government would reject or revise the contracts because there were no official deals. He cited the Phnom Penh Floating Hotel. His government could not be accused of rejecting a contract since none had been made, he said.

Sqn Ldr Prasong, who met some Thai businessmen in Cambodia yesterday, said he raised the problems of regulations on investment with Prince Sirivut.

The prince said the government of Cambodia would look into the matters in detail to solve the problems and some misunderstandings by Thai businessmen, he said.

"He told me the Cambodian government still gives full support to Thai investment in Cambodia," Sqn Ldr Prasong said.

Prince Sirivut said his government tried to set new regulations for investment and it was important for the boards of investment of both countries to reach common agreement.

Sqn Ldr Prasong later in the evening paid a courtesy call on the first and second prime ministers of Cambodia and presented a sample of 10,000 military uniforms to be granted as aid by the Thai government.

He handed over the second and third Thai-Cambodian Friendship Schools at Ban Khao Phnom P5 at Ban Sra Khan Dan in Banteay Meanchey Province. The schools were built by the Thai battalion task force using more than 10 million baht from the Thai Government and people.

Reaffirms Thai Government's Support

BK1212132093 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 12 Dec 93

[Text] Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation, held a working meeting with His Excellency [H.E.] Prasong Sunsiri, foreign minister of the Kingdom of Thailand, and his aides at the Foreign Ministry on the afternoon of 11 December. The prince welcomed the Thai delegation's visit, and he thanked the Thai king for his concern about Cambodian refugees living in Thai camps and the Thai Government for its support during the formation of the Royal Government of Cambodia [RGC]. Prince Norodom Sirivut also thanked the Thai Army for its contribution to the process of seeking peace and national reconciliation in Cambodia and to repairing the stretch of National Route 5 between Sisophon and Poipet. He pledged to further strive to expand and reinforce relations between the two countries. The prince said the Kingdom of Cambodia is in the process of codifying laws and that neighboring countries must comply. He further said he believed that Thailand and Cambodia will implement the joint communique issued during the recent visit to Thailand by Prince Krompreah Norodom Ranariddh and H.E. Hun Sen, respectively first and second prime ministers of the RGC.

Concerning the enforcement of security measures along the Cambodian-Thai border, H.E. Prasong Sunsiri was pleased to reaffirm the Royal Thai Government's support to the RGC. The Thai foreign minister considers Cambodia's pains and complicated problems as part of Thailand.

The two sides also discussed economic, trade, banking, and health issues as well as relations between the two countries. They concurred in furthering cooperation to ensure security along the common border.

The Thai foreign minister invited Prince Norodom Sirivut to visit the Kingdom of Thailand in the near future.

Departs on 12 Dec

BK1312062293 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 13 Dec 93

[Excerpt] His Excellency [H.E.] Prasong Sunsiri, foreign minister of the Kingdom of Thailand, and his aides returned to Thailand on the afternoon of 12 December after completing a two-day official visit to the Kingdom of Cambodia. While in Cambodia, the Thai foreign minister was received by Prince Krompreah Norodom Ranariddh and His Excellency [H.E.] Hun Sen, respectively first and second prime ministers of the Royal Government of Cambodia. He also held a working meeting with Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation. [passage omitted]

Tie Banh Supports Thai Arms Trade Efforts

BK1212015293 Bangkok THAILAND TIMES in English 12 Dec 93 p A1

[Excerpt] Phnom Penh—Speaking to reporters here yesterday after welcoming the first Thai government delegation to visit Cambodia since the elections this year, Defence Minister Gen Tie Banh voiced support for Thailand's recent attempts to clamp down on the illegal arms trade, referring in particular to Tuesday's raid by police on a massive arms dump discovered in the border province of Chanthaburi.

"If Thailand judges this to be an illegal activity then the government is of course free to take whatever action it thinks appropriate," Gen Tie Banh said.

Asked to comment on the seizure this week of five tons of weapons and ammunition found in a truck apparently on its way to a rendezvous with Khmer Rouge forces, Gen Tie Banh said that since the incident occurred in Thailand, the way it was dealt with depended entirely on the Thai government.

"I cannot expect the Thai authorities to do things the way I might like to see them done," he said.

Asked whether the weapons confiscated by police on Tuesday were intended for the Khmer Rouge, Tie Banh said that was indeed a definite possibility.

"I do not want to make any critical remarks on this matter. It is illegal to smuggle weapons. I support Thailand's action in seizing the weapons. The illegal that has contributed to the continuation of the fighting. [as published] If they can be seized or destroyed before they reach the customer, all the better," Gen Tie Banh said. [passage omitted on Prasong's comments prior to arrival]

'Source': Thailand Should Return Weapons Cache

*BK1212052093 Hong Kong AFP in English 0501 GMT
12 Dec 93*

[Excerpt] Phnom Penh, Dec 12 (AFP)—Publicly, Cambodia's Government has praised and thanked Thailand for preventing a truck-load of arms from reaching this country—ostensibly the radical Khmer Rouge, who have ignored the election and still battle government troops.

Privately, a government source said Sunday that Thailand should have turned over the entire 1,500-ton cache that the truck-load came from to the new Cambodian National Army, formed when fighters from the other guerrilla factions merged with government troops after nationwide elections last April.

"The (Cambodian) resistance has left ammunition in Thailand up to now," the source told AFP, speaking on condition of anonymity. "Thailand has not given it back.

"We repeatedly asked (that the weaponry be handed over) and they refused," the source added.

"It would be good if the Thais would make some gesture as far as returning to the Cambodian National Army (the weaponry) that they kept after the signing of the peace agreement," he said.

The source added that the five-tonnes of weapons confiscated by Thai police last Tuesday near the Cambodian border bore the code number 31, indicating it was headed for the marxist Khmer Rouge.

Weapons destined for the Khmer Peoples' National Liberation Front (KPNLF), the guerrilla faction headed by Son Sann, were coded number 38, he noted, while those destined for the royalist faction loyal to then Prince Norodom Sihanouk bore yet another number. [passage omitted]

Laos

Khamtai Siphandon Returns From PRC, DPRK

*BK1212041493 Vientiane Vitthayou Hengsat Radio
Network in Lao 0000 GMT 12 Dec 93*

[Excerpt] [passage omitted] A grand ceremony was held at the National Assembly Hall on the same day [11 December] to welcome Comrade Khamtai Siphandon and delegation upon their return to Vientiane in the afternoon. Present at the welcoming ceremony were Comrade Nouhak Phoumsavan, Political Bureau member of the Lao People's Revolutionary Party Central Committee [LPRP CC] and president of state; Comrade Maichantan Sengmani, Political Bureau member of the LPRP CC and chairman of the LPRP CC Control Board; Comrade Oudom Khatthigna, Political Bureau member; Comrade Khamphoui Keoboulapha, Political Bureau member, deputy prime minister, and

chairman of the Committee for Planning and Cooperation; comrades in the LPRP CC; ministers; and several high-ranking cadres.

Comrade (Fang Mu-kiu), PRC charge d'affairs; Comrade (Ma Sotsu), DPRK charge d'affairs; and a number of staff members from the two embassies in Vientiane were also on hand to welcome the delegation at the National Assembly Hall.

Visit Activities Reviewed

*BK1312101193 Vientiane KPL in English 0759 GMT
13 Dec 93*

[Text] Vientiane, December 13 (KPL)—Khamtai Siphandon, president of the Lao People's Revolutionary Party Central Committee and prime minister of the Lao PDR [Lao People's Democratic Republic], together with his wife and delegation, on December 11 returned home, ending official visits to the People's Republic of China and the Democratic People's Republic of Korea at the invitation of his Chinese and Korean counterparts.

During his visit to China, Party President and Prime Minister Khamtai Siphandon met with general secretary of the Communist Party of China Central Committee and President Jiang Zemin. The Lao and Chinese leaders shared the view on the developing relations of friendship and cooperation in various fields between Laos and China for the happiness of the people of the two countries, further contributing to their respective national development and progress.

The Lao leader and his party also had talks with the Chinese delegation led by Prime Minister Li Peng. At the talks the Lao prime minister informed the Chinese prime minister of the implemented renovation policy as well as the socio-economic development plan in Laos from now up to the year 2000, and the latter informed the former of the Chinese economic reform and open-door policy as well as the building of the Chinese styled socialist market economy. The sides were satisfied with the growing traditional relations and friendship and comprehensive cooperation between Laos and China and agree to render the relations and cooperation more effective by adjusting its mechanism to correspond with the new conditions. They also shared the view on international and regional issues of common interest raised at the talks.

The visit by the Lao leader to China created a new step toward increasing the relationship and cooperation between the parties, governments and people of the two countries, particularly the economic, cultural, technical and scientific cooperation in which northern Laos will be made a focal area of cooperation and development with southern China.

The two prime ministers signed a treaty on border delimitation, a legal basis for the relations, communication, contact, trade exchange, and order keeping between the people of the two countries, especially those living

along the common border area on both sides. Agreements concerning road transportation were also signed during the five-day visit.

The outcome of the visit to China by the Lao leader was also valued as promoting peace, stability and cooperation in the region.

The Lao party president and prime minister and his delegation left China on December 7 on a visit to DPRK. They were greeted by the DPRK prime minister, DPRK senior officials and Korean people upon arrival at the Pyongyang airport. An official welcoming ceremony by President Kim Il-song of the Worker's Party of Korea Central Committee was held at the presidential office. This was followed by official talks between the high level delegations of the two countries. The head of the Lao delegation informed the Korean delegation of the socio-economic development plan of Laos, its stance on international and regional issues and its foreign policy at the new stage. He also confirmed Laos' support for the just struggle of the Korean people for the Korean peaceful reunification. This involves the reasonable proposals by DPRK and as well as the negotiations between the two parts of Korea, north and south, and between DPRK and U.S.A. designed to make the Korean peninsular a zone of peace and stability, free of nuclear weapons.

President Kim Il-song appraised the achievement in national development and defence of the Lao people and confirmed the strengthening of the friendly ties and cooperation between the two parties, governments and people of DPRK and Lao PDR. The outcome of the talks would be fundamental for promoting the relationship and solidarity and led to the signing of an agreement on economic and technical cooperation between the two governments, particularly in agriculture, hydro-power, forest industry and others.

Prime Minister, Delegation Depart for Australia

BK1312125593 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 13 Dec 93

[Text] His Excellency [H.E.] Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR]; his wife; and a high-level LPDR Government delegation left Vientiane by special plane this afternoon for an official friendship visit to the Commonwealth of Australia at the invitation of H.E. Paul Keating, prime minister of the Commonwealth of Australia. Accompanying H.E. Khamtai Siphandon and his wife on this occasion are H.E. Somsavat Lengsavat, minister of foreign affairs; H.E. Soulivong Dalavong, minister of industry and handicrafts; H.E. Bouason Soukhavan, deputy minister attached to the Prime Minister's Office; Her Excellency Ms. Khempheng Photchana, deputy chairperson of the Planning and Cooperation Committee; and H.E. Vang Lattanavong, Lao ambassador to Australia.

H.E. Prime Minister Khamtai Siphandon's official friendship visit to Australia marks a milestone of historic

significance in the fruitful promotion and expansion of the long-standing friendly relations and cooperation between Laos and Australia.

An official ceremony to see off the delegation was held at the Prime Minister's Office. Attending the ceremony was H.E. Khamphoui Keoboulapha, deputy prime minister and chairman of the Planning and Cooperation Committee, along with many ministers and deputy ministers. H.E. (Hencilie Parkins), Australian charge d'affaires in Laos, along with embassy staff members, was also on hand at the ceremony to see off H.E. Khamtai Siphandon and his delegation.

CPC Delegation Continues Visit Activities

Tours Vientiane Province

BK1012092893 Vientiane KPL in English 0757 GMT 10 Dec 93

[Text] Vientiane, Dec 10 (KPL)—The visiting high-level delegation of the Communist Party of China, yesterday morning, left here for Vientiane Province, 90 km north of Vientiane Capital. Arriving in Phonhong, the province's capital, at 9:00 A.M., the delegation accompanied by Sileua Bounkham, member of the Central Committee of the Lao People's Revolutionary Party and director of the party-state school, was given a Basi, a traditional Lao wishing ceremony for guests upon their arrival or departure.

At 0930 A.M., the Chinese guests visited Nam Ngum hydro-power station and met with the party cell of the station.

The provincial party committee hosted a luncheon in honour of the Chinese guests on board of the tourist cruiser at the Nam Ngum reservoir.

The Chinese delegation led by Ding Guangen, member of the CPC Political Bureau and of the Central Committee [CC] Secretariat, and head of the Propaganda and Training Board of the CPC CC, arrived here on a working visit here between December 7-11.

Received by Nouhak Phoumsavan

BK1112091293 Vientiane KPL in English 0732 GMT 11 Dec 93

[Text] Vientiane, December 11 (KPL)—Nouhak Phoumsavan, Politburo member of the Lao People's Revolutionary Party [LPRP] and president of the Republic, yesterday received at the Presidential Palace a delegation of the Communist Party of China.

Nouhak Phoumsavan, on the occasion, described the visit to Laos by the Chinese delegation a contribution to the consolidation of understanding between the parties, states, and peoples of the two nations.

Ding Guangen, member of the CPC Political Bureau and of the Central Committee [CC] Secretariat, and head of

the Propaganda and Training Board of the CPC CC, who heads the Chinese delegation, informed the Lao president of the result of the meeting of the high-level delegations of the LPRP and the CPC, which the two sides would further develop the relationship of friendship fruitfully. [sentence as received]

Earlier the Chinese delegation had called on Khamphoui Keoboulapha, LPRP CC Politburo member, vice prime minister, and chairman of the Committee for Planning and Cooperation. Including in the schedule are the visit to the Revolutionary Museum, the Mekong bridge construction site, which is now 91 percent completed and is expected to be inaugurated on April 8, 1994, and some economic and cultural bases in Vientiane Prefecture and Province.

Ends Visit, Returns Home 11 Dec

BK1212051293 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 12 Dec 93

[Text] Comrade Ding Guangen, member of the Political Bureau and Secretariat of the CPC Central Committee [CC] and chief of the CPC CC Propaganda and Training Board, led his delegation home after ending a five-day friendship visit to the Lao People's Democratic Republic [LPDR] on the afternoon of 11 December.

Seeing off the foreign visitors at Wattai Airport were Comrade Thongsing Thammavong, Political Bureau member of the Lao People's Revolutionary Party Central Committee [LPRP CC] and head of the LPRP CC Organizational Board, and several high-ranking cadres from the LPRP CC office. Comrade Huang Guocai, PRC ambassador extraordinary and plenipotentiary to the LPDR, also saw the delegation off at the airport.

During his visit to the LPDR, Comrade Ding Guangen led the high-level CPC delegation to pay courtesy calls on Comrade Nounhak Phoumsavan, member of the LPRP CC Political Bureau and president of the LPDR; and Comrade Khamphoui Keoboulapha, member of the LPRP CC Political Bureau, deputy prime minister, and chairman of the Committee for Planning and Cooperation. The delegation also met and exchanged views with a high-level LPRP delegation headed by Comrade Thongsing Thammavong, member of the LPRP CC Political Bureau and head of the LPRP CC Organizational Board. The two sides informed each other of the situation in the two countries and exchanged views on further strengthening the traditional relations of friendship between the parties, states, and peoples of Laos and China. In addition, the CPC delegation also visited some economic development projects and cultural and social establishments in Vientiane Municipality and Vientiane Province.

Thailand

Foreign Minister on 2-Day Visit to Cambodia

Prasong's Visit Previewed

BK1112013293 Bangkok THE NATION in English 11 Dec 93 p A4

[Text] Foreign Minister Prasong Sunsiri's official visit to Cambodia starting today will be a test of the long ties between the neighbouring countries, as the two-day visit comes only a few days after police uncovered a massive stockpile of Chinese-made war weapons suspected of being destined for Khmer Rouge controlled areas.

The discovery of the huge weapons cache in a farm warehouse near the Cambodian border has underlined accusations long directed at the Thai military that it supported the radical faction.

The military's claim of owning the weapons has raised big questions, as the warehouse, located in a military zone, was being guarded by Cambodians suspected of belonging to the Khmer Rouge faction when the police arrived on the scene. However, Prasong said he will be ready to explain the incident to Cambodia's prime ministers, Prince Norodom Ranariddh and Hun Sen after receiving clarification from the military.

Accompanying him on his visit will be National Security Chief Gen Charan Kunlawanit and representatives from the armed forces. Cambodian authorities have not yet publicly reacted to the incident.

Prasong will also discuss with his counterpart, Prince Norodom Sirivut Cambodia's ban on the export of logs. Starting at the beginning of last month, a grace period, which ends at the end of this month, was provided for Thai companies to haul out logs that had already been cut.

The now-defunct Supreme National Council ordered the ban on log exports, allowing only processed wood to be shipped out, to conserve the remaining forests. Although a grace period was given, the process of applying for a log export permit has been unclear. Prasong is expected to ask his Cambodian counterpart about the possibility of an extension to the grace period.

Prasong and his entourage are scheduled to pay a courtesy call on Prince Ranariddh and Hun Sen shortly after arriving at the Pochentong airport, with a call on Prince Sirivut expected later. The co-premiers, during their official visit to Thailand in October, promised to honour agreements Thais had signed with Cambodians of any faction. However, Phnom Penh has made it clear that it will honour only those agreements that serve the national interest.

Prasong is expected to ask about the promise, now that a legitimate coalition government is in place.

Also to be discussed is a Thai initiative to set up a joint commission to provide the countries a channel through which to deal with matters of bilateral concern. However, as Cambodia is still in urgent need of reconstruction and rehabilitation, its interest in the initiative may not be a high priority.

A reliable source recently said Cambodia had not responded to a Thai proposal to set up a joint border subcommittee to deal with expected problems due to unclear border lines. Prasong hinted that he would discuss the border issues with Phnom Penh and follow up on the proposal to establish the border subcommittee.

Thai authorities have admitted that the border issue would soon cause problems between Thailand and Cambodia as old border markers are now missing and citizens of both countries have reportedly moved into each other's territory. Some people have reportedly removed the markers for souvenirs.

Prasong Departs; Chuan on Weapons

BK1112145993 Bangkok Army Television Channel 5 in Thai 1200 GMT 11 Dec 93

[Text] Foreign Minister Squadron Leader Prasong Sun-siri, accompanied by National Security Council Secretary General General Charan Kunlawanit, left by a special air force plane this morning on an official two-day visit to Cambodia at the invitation of Cambodian Deputy Prime Minister and Foreign Minister Prince Norodom Sirivut. Before his departure, Foreign Minister Prasong said he planned the following topics for discussion: political and economic cooperation, and bilateral relations. He was also seeking to explain to Cambodian leaders about the seizure of a Thai weapons arsenal at the Thai-Cambodian border.

Prime Minister Chuan Likphai, who had earlier met with the foreign minister, said he had nothing special for the latter to carry out during this mission, except to explain to Cambodia about the seizure of the weapons arsenal. Asked about Thailand's policy regarding the Khmer Rouge, the prime minister said he had nothing to add because Thailand's policy on the matter had been clear from the beginning.

[Begin recording] [Unidentified correspondent] What about Thailand's stand concerning the policy on the Khmer Rouge?

[Chuan] I have nothing to add here. Our policy on this is clear. We only want to explain to them what has happened.

[Correspondent] Do you mean there are no more suspicions?

[Chuan] I think what the army commander in chief has said is a statement of fact, and it's clear.

[Correspondent] Any report from the defense minister?

[Chuan] I have only got a verbal explanation from him. I am waiting for a written one.

[Correspondent] When do you expect a written report from him?

[Chuan] He will make an official briefing to the cabinet on Tuesday.

[Correspondent] Will there be any statement from the government on this issue?

[Chuan] Well so far there have been enough details given by authorities at various levels.

[Correspondent] There are still complaints from some sectors that the government should make this matter clear.

[Chuan] If you piece together what has already been said, you will be able to understand. We must make a distinction between before and after the Paris peace agreement.

[Correspondent] There won't be any explanation from the government?

[Chuan] I think that the authorities concerned have sufficiently explained what has happened, and there is no need for the government to issue a statement unless there are still some doubts. Then we would have the authorities concerned report to the people. [end recording]

Prasong Calls Visit 'Successful'

BK1212150493 Bangkok Radio Thailand Network in Thai 1200 GMT 12 Dec 93

[Text] Foreign Minister Squadron Leader Prasong Sun-siri reported that his visit to Cambodia on 11-12 December was successful in terms of forging bilateral relations and promoting economic, trade, investment, and political cooperation. The foreign minister, who returned from Cambodia this evening, said the Thai Government offered cooperation and assistance to Cambodia, and pledged not to interfere in the internal affairs of Cambodia as it wishes to see unity in that country.

[Begin Prasong recording] I stressed our government's policy of supporting the elected government in Cambodia, and our wish to see national reconstruction in Cambodia. I stressed to them that the Thai Government and people are ready to provide assistance and cooperation to Cambodia as much as possible. On political matters, I stressed that we would not interfere in Cambodia's internal problems; we want to see unity there. We consider the issue of the Khmer Rouge as Cambodia's internal affair.

I also explained to the Cambodian leaders about the recent seizure of weapons at the border in Chanthaburi Province by our authorities. I told them of the reason for the raid and matters relating to it. I stressed to them the government's policies of noninterference and no support

for the Khmer Rouge. On the other hand, the government supports national reconstruction in Cambodia. The Cambodian leaders understand Thailand's stand on this matter. They thanked the Thai Government and authorities for the action taken. There is no more problem about this matter. [end recording]

Foreign Minister Prasong Sunsiri said he also discussed with the Cambodian leaders about preparing for Prime Minister Chuan Likphai's visit to Cambodia on 12-14 January.

The foreign minister said he explained to Cambodia about the discovery by police of the weapons cache near the border in Chanthaburi Province. He said the Cambodian Government expressed its understanding of the matter. The foreign minister said the seized war weapons were supplied by several allies to the three Cambodian factions in the former national defense coalition. There has been no more transport of weapons for any of those factions after the signing of the Paris agreement, in keeping with the Paris peace accord and the effort to resolve armed conflicts. Squadron Leader Prasong said, in principle, the weapons should be returned to their owners, but this will have to follow legal steps and international law.

The foreign minister also reported that the Cambodian Government had ordered the Thai floating hotel to move away from the present site within seven days, resulting in the hotel being forced to close temporarily. Prasong said he discussed the matter with the Cambodian leaders and asked for a relaxation of another three months in order to allow the owner of the floating hotel more time to move his business back to Thailand as the owner had already decided to take the boat back to Thailand. Prasong said he had got an approval from the Cambodian Government on this matter too.

More on Arms Cache, Officer's Arrest for Drugs

Prime Minister Comments

BK1112032293 Bangkok Radio Thailand Network in Thai 0000 GMT 11 Dec 93

[Excerpt] Prime Minister Chuan Likphai assigned the defense minister to investigate the facts behind the seizure of war weapons in Chanthaburi Province and the arrest of a military officer in Hong Kong on a narcotics trafficking charge. Prime Minister Chuan commented on the arrest of the military officer and said that this was a wrongdoing committed by an individual. Legal action will be taken against him. He said that there was no need to explain anything regarding this issue to foreign countries because the army commander already explained it.

Asked whether he had discussed the haul of war weapons with military leaders, the prime minister said that he assigned the defense minister to examine the facts behind the issue. The committee on war weapons suppression will meet soon. The prime minister added that

those who move weapons without endorsement from their superiors will be face legal action. This is the government's policy.

Asked if the issue would have an impact on the country's foreign policy, he said that we have to explain the matter to ensure there is no misunderstanding of Thai Government policies. The defense minister will explain the truth to all parties concerned. He said that we must understand Thailand's situation before the Paris peace agreement was signed. The best thing now is to stand by the truth. We are waiting reports on the facts from the Defense Ministry. [passage omitted]

NSC Chief Comments

BK1112153893 Bangkok Radio Thailand Network in Thai 1200 GMT 11 Dec 93

[Text] Before his departure for Cambodia this morning, General Charan Kunlawanit, secretary general of the National Security Council [NSC], was asked by reporters about the arrest in Hong Kong of Major General Thanat Phaktiphat, an officer attached to the Supreme Command, for heroin trafficking. He said the arrest was made on personal grounds and had nothing to do with the Thai military establishment. He said the officer would be prosecuted if it is proved that he really committed the crime; the matter is now under investigation. Gen. Charan said that as far as he knew, the officer was arrested during a private visit to Hong Kong, and had no heroin in his possession when he was arrested. There was a report that he was involved in drug trafficking. Gen. Charan said no one can tell whether the officer was really involved in the crime. One can only wait for the outcome of the investigation.

On the subject of the Khmer Rouge, the secretary general of the National Security Council said that Thailand's contact with the Khmer Rouge has been kept within the framework allowed by the United Nations. There has been no transport of weapons to the Khmer Rouge.

Asked about the seizure of war weapons by authorities in the border area of Chanthaburi Province, Gen. Charan said it showed that the government is serious in its efforts to stop the flow of arms into neighboring countries. He said: If foreigners still doubt the Thai Government's attitude, it must be how they look at Thailand. The Thai Government is sincere and has no reason to worry. The secretary general of the National Security Council did not blame police authorities for failing to coordinate with the Army prior to launching the raid, which captured war weapons belonging to the military. He said it was not police inefficiency, because it is their duty to check for any illegal movement of war weapons. Those agencies that are responsible for the control of weapons must handle the weapons under their control very strictly so that there are no leaks.

Army Chief on Arms Seizure

BK1212022293 Bangkok *THE NATION* in English
12 Dec 93 p A7

[Article by Korkhet Chantaloetlak: "Border Police Dig Up an Explosive Secret"]

[Text] What started out as a routine follow-up on the seizure of truckload of war weapons by police ended up giving the public one of the most sensational disclosures of military secrets in years. The wide publicity with which last Tuesday's police raid on an arms depot in Chanthaburi's Makham district was carried out compelled Army Commander in Chief Wimon Wongwanit to cough up information that shed light on the nature of army secret service and, inevitably, some of its dirty jobs. Having disclosed with unprecedented frankness the function and purpose of the arms stockpile, Gen Wimon, however, has failed to dispel doubts about whether Thailand continues to supply arms to the Khmer Rouge.

Wimon told reporters the weapons that police found in a raid on the Makham depot following the arrest of seven alleged arms smugglers were part of a stockpile held by the army after the four warring Cambodian factions signed the Paris peace accord in 1991.

The weapons were sent by third countries via Thailand to support the three Cambodian factions fighting the former Vietnamese-installed Phnom Penh government, he said.

The chief said the Army took all those arms into custody after the peace agreement and planned to reassign them to various units of the Armed Forces. Army sources said three stockpiles of weapons were built up in Chanthaburi the biggest in Makham district. Wimon said no weapons could be transferred from any of the border stockpiles without approval from the army. He believes the truckload of weapons intercepted by police was stolen from the largest depot. An army committee has been formed to look into the incident.

The army chief also promised to impose stricter control on arms stockpiles set up for Cambodian factions and punish officers in charge who allow any weapons smuggling.

Acting police director general, Pol Gen [Police General] Prathin Santipraphop, who inspected the depots, later uncharacteristically admitted that the police raid was a mistake. Prathin confirmed that the Makham stockpile belonged to the Thai military and that the weapons were reserved for border defence.

"It is not an arms cache belonging to war weapon smugglers and has nothing to do with the Khmer Rouge," he said.

Most members of the public seem satisfied with the explanation, but another question: "Why did it happen?" still begs an adequate reply.

The Police Department has been suppressing illegal trade in war weapons in recent years but never stumbled on a large cache. When it finally came across a virtual warehouse full of war weapons, they turned out to belong to the military.

The police raid seriously damaged the credibility of the military and the Thai government, which has insisted that it had long since ceased assistance to the Khmer Rouge, which continues to hold part of Cambodian territory in defiance of the UN-sanctioned peace agreement.

Military sources in Chanthaburi said local highway police were given a tipoff from informants that a group of arms smugglers were shipping a large consignment of war weapons to Mae Hong Son via Phong Nam Ron district. On Tuesday, a 10-wheel truck carrying sacks of rice was stopped and a large amount of weaponry was found hidden beneath the load.

The sources said after the weapons were found, the alleged arms smugglers showed the highway police a "permit" allegedly issued by a local military commander that said the weapons belonged to the military and were to be delivered to the Khmer Rouge. They said the highway police immediately asked Police Department headquarters in Bangkok to try to have the army verify whether such a permit to move arms had been issued.

The sources said the Police Department contacted Wimon, who was on a trip to Nakhon Si Thammarat. Wimon insisted the army had authorized no such shipment. The army chief reportedly asked the Police Department to take appropriate legal action against the apparent smugglers. But the problem did not end there.

Police in the border provinces, which remain under military control for security reasons, have been frustrated by frequent incidents in which their law enforcement duty has had to give way to military secret operations. They have had to let convoys of army-escorted trucks pass through their checkpoints and are not allowed to ask questions. When they finally got the green light from the army chief, they were determined to go all the way.

Pol Gen Prathin led the raid on the Makham depot after one of the suspected smugglers told police the confiscated arms were from the warehouse.

But it is interesting to note that it is almost impossible for Prathin not to know that the arms stockpile established in 1985 was under the control of the military, when all Chanthaburi police know everything about it. A provincial border patrol police headquarters is only two kilometres from the depot.

How did that happen?

Gen Wimon insisted that the Thai military stopped aiding the Khmer Rouge after the signing of the Paris

peace agreement in 1991. But does that established strong ties with Khmer Rouge commanders over the past 10 years.

"Although people at the top of the army have announced that Thai support for the Khmer Rouge has ceased, there is every possibility that military officers in the field have maintained close relations with the Cambodian faction," one source said. Even Deputy Foreign Minister Surin Phitsuwon, while acknowledging the Thai military's vow not to interfere with Cambodia's internal affairs, does not rule out the possibility of low-level contact between Thai and Khmer Rouge military personnel.

Now that the scandal has broken Thai military officers in charge of guarding the stockpile are likely to be sacrificed.

Wimon has made it clear that legal action will be taken against those in charge for allowing smuggling from the depot. The army chief's response to the incident, however, does not rule out that:

- arms continue to flow to the Khmer Rouge, and
- arms meant for the Khmer Rouge are being sold on the underground war weapons market.

It is also a well-known fact that certain members of the military secret service along the Thai-Cambodian border have been engaged in illegal activities, taking advantage of their close ties with the Khmer Rouge. These activities include trade in war weapons and the export of stolen cars from Thailand to Cambodia. It has also been reported that some of the arms smuggled from the depots set up for the Khmer Rouge and from inside Cambodia were being shipped across Thailand into the hands of ethnic minorities forces fighting the Rangoon government.

Gen Wimon knows he must seize the opportunity to right the wrongs that continue to exist in the army he presides over. It must not be forgotten that when Wimon assumed the post of army commander in chief in 1992, one of his stated priorities was to crack down on traders in war weapons. He vowed to take stern action against army personnel known to have links with illegal arms traders.

In the past the army usually declined to confirm allegations that some officers were involved in the illegal trade. Back then, Wimon suggested that some army personnel must have been involved in the illicit trade, which continues to thrive despite government efforts to stamp it out.

"Any army officers or personnel found to be or have been involved in the war weapons trade will be dismissed and prosecuted," he said in a directive.

The trade in weapons, a flourishing business involving influential people and armed forces personnel, has contributed significantly to a rise in violent crime, such as Mafia-style killings and armed robberies.

"The involvement of army personnel in the illegal trade is detrimental to peace and order, threatens the national security and damages the reputation of the army," Wimon said.

The Cambodian peace accord involves a disarmament scheme which could foster the cross-border smuggling of arms that are supposed to be surrendered to UN peacekeepers.

Further Comments From Army Chief

BK1312020993 Bangkok BANGKOK POST in English
13 Dec 93 p 1

[Text] Army chief Wimon Wongwanit yesterday expressed disagreement over Foreign Minister Prasong Sunsi's statement that Thailand would return the war weapons found near the Cambodian border to the original suppliers. Apparently losing his cool over the border arsenal controversy, the Army chief called on all concerned parties, including the mass media, to stop commenting on the issue.

Gen Wimon said the Foreign Minister's statement that the arsenal found at a depot on the Thai-Cambodian border in Chanthaburi Province would be returned to its suppliers was not correct.

"What Sqn Ldr Prasong said is wrong, probably because he did not understand the problem," said Gen Wimon who added that he would personally inquire the minister about the statement. [sentence as published] The Army chief said he had made it clear to the public that the arsenal found was sent by a third country and was destined for a Khmer faction inside Cambodia.

"I request every one to stop talking about this because I have already answered all the questions very clearly. What I have said is the truth but nobody believes it. I want to say that I have done everything for the sake of the country and I can answer questions from anybody. I never lie but only say the truth," Gen Wimon said during an interview early yesterday morning at Don Muang before leaving for a weeklong visit to Israel. He said he was ready to appear before the Cabinet or even before the Prime Minister in person to clarify the matter.

The Army chief also criticised certain members of the local media for adding confusion to the controversy by trying to link the Chanthaburi arsenal with the arms seizure on the same day in Tak province.

"If we continue to talk more about this, it will turn more messy. Do you enjoy getting rich writing about this at the expense of national interest?" Gen Wimon asked, while urging all concerned parties to think about the interest of the country.

Sqn Ldr Prasong said in Phnom Penh on Saturday that the arms stockpile at the Chanthaburi arsenal came from many nations and were destined for three Khmer resistance factions fighting the Heng Samrin regime before the peace accord on Cambodia was signed in Geneva in

October 1991. He said Thailand had scrupulously avoided providing arms to the three factions after the peace agreement was signed.

Sqn Ldr Prasong said the weapons would be returned to the original owners after a stock check which was necessary because some of the weapons had been stolen from the arsenal.

Prime Minister Chuan Likphai said on Saturday that actions taken by Thailand before and after the 1991 Paris peace agreement must be clearly distinguished.

"Thailand has strictly complied with the Paris agreement since its signing," he said.

Mr Chuan said he has already received the police report on the arsenal raid from the Defence Minister who is expected to present the same to the Cabinet tomorrow.

Army 'Can't Help' Arrested General

BK1312022593 Bangkok THE NATION in English 13 Dec 93 p A4

[Text] The Army will not try to help a Thai general arrested last week in Hong Kong and alleged to be a key member of a drug trafficking ring, the First Army region commander said yesterday. Lt. Gen. Chettha Thanacharo said the Army would distance itself "one hundred per cent" from the matter.

Chettha was a classmate of Maj Gen Thanat Phakpatiphat, the alleged money man for an international organization busted in a "sting" operation last week involving Thai, U.S. and Hong Kong authorities.

"We can't help him," Chettha said. "This is an individual's wrongdoing. And whoever has committed wrong should be punished. The Army will never, ever try to obstruct the [legal] process and give any kind of assistance."

Thanat, an officer attached to the Supreme Command, is alleged to have been working with an ethnic Chinese and his sister who were arrested by U.S. anti-drugs agents in Eugene, Oregon, and Li Chin Hung, another ethnic Chinese arrested in Thailand on Thursday [9 December]. The United States is seeking to extradite Thanat from Hong Kong and Li from Thailand.

"Army chief Gen Wimon [Wongwanit] has made it clear that the Thai Army will not request the extradition of Thanat to Thailand," Chettha said.

The Army's response to Thanat's arrest was in line with the government's reaction. On Friday, Prime Minister Chuan Likphai ascribed Thanat's arrest to his personal behaviour and said it did not warrant special action on the part of the Thai government.

Acting Police Chief Remarks

BK1312151793 Bangkok Army Television Channel 5 in Thai 1200 GMT 13 Dec 93

[Text] The acting police chief confirmed that no police officer has been implicated for drug trafficking in the case of the arrests made by U.S. agents. Acting Police Director General Police General Prathin Santipraphop denied an interview made by the interior minister, who said police officers were involved in drug trafficking. He said there had been no report from U.S. anti-drug agents of more arrests of Thai nationals or police officers in addition to the one already arrested. Gen. Prathin said he received no instruction from the interior minister to that effect.

[Begin recording] [Unidentified correspondent] How many government officials or police officers are on the blacklist?

[Prathin] They never tell us who is on the blacklist. They are doing their duty. But they would notify us of any arrests of Thai nationals.

[Another correspondent] And have they notified us of any more arrests to be made?

[Prathin] No. There will be more arrests only if we carry out the investigation together and then come to a conclusion that more arrests are needed. They will never tell us: Go and get this or that person. [end recording]

Meanwhile, Police Lieutenant General Kowit Phakdi-phum, narcotics suppression police commissioner, confirmed to reporters that there had been no more arrests. There will be more arrests only when the arrested suspect implicates other persons.

Police To Tighten Control on Foreign Criminals

BK1212020693 Bangkok THE SUNDAY POST in English 12 Dec 93 p 3

[Text] The Police Department will apply stricter measures to suppress crime committed by aliens, deputy director-general Pol Gen [Police General] Phong-ammatt Amatayakun said yesterday. Before the measures are drawn up the police will on Tuesday reveal plots and activities involving alien criminals.

The meeting at the Economic Crime Suppression Division will focus on activities affecting social and national security but is also expected to discuss crimes committed by people of all nationalities who illegally enter Thailand.

The Metropolitan Police Bureau, Central Investigation Bureau and Provincial Police Bureau 1-4 have worked together to track down alien criminals and their supporters to their "roots".

Police believe factory owners in need of illegal labour may play a crucial role in helping criminals.

Mainland Chinese criminals, said Pol Gen Phong-ammatt, entered Thailand at the border with Chiang Rai and went to Bangkok by van to stay in the Yaowarat area where they waited for a trip to Phatthaya before boarding a ship to a third country, especially the US.

Aerothai To Control Cambodian Airspace Traffic

*BK1012022793 Bangkok BANGKOK POST in English
10 Dec 93 p 6*

[Text] The Aeronautical Radio of Thailand (Aerothai) will start controlling traffic in Cambodian airspace on December 29, thus shortening the Bangkok-Manila and Bangkok-Brunei routes.

Transport and Communications Deputy Minister Phinit Charusombat said Aerothai signed a contract on Wednesday with Cambodia's Civil Aviation Department allowing control coverage at a height of 19,500 feet. Cambodia still lacks the necessary air traffic equipment and personnel. The contract also obtained endorsement from the International Civil Aviation Organisation and International Air Transport Association.

Flights over Cambodia and Vietnam's Ho Chi Minh City will help ease traffic on the AI route (Bangkok-Ubon Ratchathani-Hong Kong) where, according to Mr Phinit, congestion had led to flights being delayed and aircraft having to fly at uneconomical altitudes.

Bangkok-Australia flights will also be shortened through use of the new route.

Vietnam

Vu Khoan Attends Indochina Meeting in Tokyo

*BK1112070893 Hanoi VNA in English 0627 GMT
11 Dec 93*

[Text] Hanoi VNA Dec. 11—"Vietnam wishes to promote its cooperative relations with all countries in the sub-region, region and the world as a whole", said Vice Foreign Minister Vu Khoan at a two-day international meeting on development in Indochina held in Tokyo on Dec. 9-10.

The Vietnamese vice foreign minister also spoke about the contents of the renovation process in Vietnam and the achievements recorded by the Vietnamese people.

The participants in the meeting welcomed the holding of the meeting and noted that it is necessary to strengthen the exchange of information and to provide aid for Vietnam, Laos and Cambodia, particularly for infrastructure and manpower development.

They agreed to convene a forum on development in Indochina in the autumn of 1994 in Tokyo.

Cited on Plans for Cambodia Talks

*OW1012153093 Tokyo KYODO in English 1335 GMT
10 Dec 93*

[Text] Tokyo, Dec. 10 KYODO—Talks between Vietnam and Cambodia on the issue of ethnic Vietnamese population in Cambodia will likely begin "very soon," a senior Vietnamese official said here Friday.

"I'm sure that...we will start our negotiations very soon," said Deputy Foreign Minister Vu Khoan in an interview with KYODO NEWS SERVICE. Vu was referring to an agreement between the two countries to set up a technical committee to study the problem of some 30,000 ethnic Vietnamese refugees blocked from returning to Cambodia.

The issue is a difficult one for the new Cambodian Government, as the Khmer Rouge guerrilla group has long tapped into traditional antipathy against Vietnamese as a rallying point to drum up support among the ethnic Cambodian population.

Vu noted that Cambodia's dual premiers, Prince Norodom Ranariddh and Hun Sen, inked an agreement to address the issue bilaterally during their August visit to Hanoi.

Touching on continued attacks on ethnic Vietnamese in Cambodia, which are widely believed to be carried out by the Khmer Rouge, Vu said, "We are definitely concerned about the situation of our citizens in Cambodia." But he acknowledged that the situation "is more stable" than it has at times been in the past.

Last month, Vietnam sent a diplomatic note to the Cambodian Government "vehemently condemning" the Khmer Rouge slaughter of four Vietnamese nationals on October 27 at Prek Tun near the Tonle Sap region of central Cambodia. Eight other Vietnamese were reportedly wounded in the attack.

Trade Memorandum Signed With Singapore

*BK1312081393 Hanoi VNA in English 0654 GMT
13 Dec 93*

[Text] Hanoi VNA Dec. 13—A memorandum of understanding on cooperation between the Vietnam Chamber of Commerce and Industry (VCCI) and the Chamber of Commerce and Industry of Chinese People in Singapore (CCICS) was signed in Singapore on December 9. Signatories were Fredy Lan Fengli, acting president of the CCICS, and Doan Duy Thanh, president of the VCCI, during the latter's working visit to Singapore as guest of the Trade Development Bureau (TDB) of Singapore. Mr. Thanh was accompanied by a number of officials of the Ministries of Trade, Finance and the State Committee for Cooperation and Investment, and more than 60 businessmen. While in Singapore, the Vietnamese delegation attended a seminar entitled 'Business Opportunity in Vietnam' jointly held by the TDB and the Producers' Association of Singapore. It had working

sessions with the TDB, the Economic Development Bureau (EDB), the Chamber of Commerce and Industry of Chinese People in Singapore, the Producers' Association, and the International Chamber of Commerce of Singapore.

During their meetings Singaporean businessmen highly appreciated Vietnam's achievements in the renovation process, and economic potentials. They also expressed their wishes to strengthen trade and investment cooperation with Vietnam. The delegation also visited several trade, service, and construction establishments in Singapore.

Thai Decision To Sever Ties With KR Viewed

*BK1012132693 Hanoi Voice of Vietnam in English
1000 GMT 10 Dec 93*

[Station commentary]

[Text] Thailand said it is severing relations with the Khmer Rouge [KR], which is a heavy blow to the enemy of the Cambodian people and nation. Here is our radio opinion:

The Japanese newspaper SANKEI SHIMBUN on Tuesday said that in his Cambodia visit on Saturday, Thai Foreign Minister Prasong Sunsiri will inform of Thailand's intention to sever relations with the Khmer Rouge. Meanwhile, the Thai army commander, General Wimon Wongwanit, announced that in the future, the Thai army will have no relations with the Khmer Rouge.

In the past, Thailand has maintained relations with the Khmer Rouge, especially in economic matters, and let the Khmer Rouge use its border as their sanctuary and arsenal. The situation in Cambodia has changed. The Cambodian Government was elected by the people and it is leading the country in the process of national reconciliation. The Cambodian Government's policy has won the support from different factions in the country as well as regional countries. Only the Khmer Rouge are against these changes, and they have caused difficulties to the national reconstruction and reconciliation of Cambodia.

Thailand has understood that it cannot maintain relations with that faction. Though there has not been an official announcement from Thailand, public opinion believes that Bangkok will act in that way.

The United States and other economically strong countries in Western Europe reaffirm that they do want to have any relations with the Khmer Rouge and do not want them to have any roles in the Cambodian Government. Early this week, Thailand captured five tonnes of weapons and heavy trucks en route to Cambodia to the Pol Pot faction.

The only way for the Khmer Rouge is to accept the conditions put forth by the Cambodian Government and hand over their controlled territories and then the armed conflict.

Further on Proceedings at National Assembly

Assembly Deputies Discuss Budget

*BK1012141793 Hanoi Voice of Vietnam Network in
Vietnamese 1100 GMT 10 Dec 93*

[Passages in boldface recorded]

[Summary] "Dear friends: Today was the fifth day of the Fourth Session of the Ninth National Assembly. The deputies held group discussions, focusing on state revenues and expenditures and on diplomatic activities."

"The deputies unanimously agreed on a final balance for the 1992 state budget. They expressed their belief that supervision over budget revenues and expenditures is an important task of the National Assembly, and although much progress has been made in budget revenues and expenditures, great collection shortfalls remain."

In discussing 1993 budget revenues and expenditures, "deputies from Thai Binh, Nam Ha, Ninh Thuan, Khanh Hoa, Kien Giang, and Minh Hai Provinces unanimously agreed with the government report." Thai Binh Province Deputy Vu Manh Dinh said:

I agree with the government report that we are continuing to squander money and that there are still losses in budget expenditures, especially in capital construction investment. The inability to tackle corruption and smuggling satisfactorily has also led to the failure to ensure the necessary budget to meet social needs.

Discussing the 1994 state budget plan, "many deputies suggested that we renovate our budget management system from the central down to the local levels in order to encourage localities to increase their budget revenue collection efforts while reducing their budget spending." On the question of village budgets, Nam Ha Province Deputy Dang Khoi said:

If the budget is adequately allocated, villages will be able to develop their agricultural and economic strengths and make full use of their resources.

The question of making budgetary investments in capital construction as well as cultural, educational, public health, national security, and defense activities was fervently debated by the deputies. "They held that it is necessary to reexamine the cost of capital construction to suit reality" and to "eliminate all under-the-counter dealings and corruption in tending bids for construction projects."

Deputies from Minh Hai, Ninh Thuan, Khanh Hoa, Lang Son, and Quang Ninh Provinces and Haiphong Municipality expressed their belief that despite its relatively large budget, the family planning campaign has

not produced the desired results. This is because "the birth rate in various localities, especially in rural and mountain areas, is still fairly high; around 2 percent."

This afternoon, the deputies held group discussions on diplomatic activities. "They unanimously agreed that the government's 1993 diplomatic activities created better conditions for building an international environment favorable to national construction and defense." Le Minh Chau, deputy from Ho Chi Minh City, said:

The diplomatic activities carried out by our country last year produced great results. This shows that we have been able to gradually foil the many perfidious schemes of the hostile forces, and that our diplomatic activities have won worldwide support for the Vietnamese people. We should improve our existing policy to make more friends while reducing hostility. This is the only way to enjoy more successes in the new year under the leadership of the party and government.

"Dear friends, tomorrow, 11 December, the National Assembly will continue group discussions on an activity report by the National Assembly Standing Committee and on activity reports by the Supreme People's Court and the Supreme People's Organ of Control."

Group Debates Continue 11 Dec

BK1112134393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 11 Dec 93

[Text] Today deputies to the National Assembly held group discussions, contributing views to the activities of the Ninth National Assembly's Standing Committee and the Supreme People's Court and Supreme People's Organ of Control in 1993. The deputies unanimously took into account the efforts and effective results of the National Assembly's Standing Committee, particularly its achievements in directing the formulation of legal documents, including the laws on land and taxes, which have won the people's hearts and minds.

Nevertheless, regarding the formulation of legal documents, the National Assembly's Standing Committee should see to it that guidelines governing the implementation of these documents be promulgated at an early date. Furthermore, the committee should oversee the implementation of these legal documents.

In addition, the deputies took into account the results of the National Assembly's diplomatic activities in 1993, which have helped consolidate the relations between our National Assembly and many national assemblies in the world.

The deputies also took into account the efforts made by the court sector in 1993. Altogether, more than 32,200 cases involving 34,200 defendants have been tried. The court sector has made a worthy contribution to the campaign against corruption and smuggling. Open court sessions have been conducted to try many cases.

Nonetheless, a number of cases has received very light sentences. This situation must be traced back to the fact that some judges have not upheld the sense of duty, letting their personal sentiments affect their decisions. Regarding those cases with clear evidence, it is necessary to complete legal proceedings as quickly as possible so that trials can be organized.

Regarding the activities of the Supreme People's Organ of Control in 1993, deputies from Ho Chi Minh City and the provinces of Nghe An, Ha Tinh, Thanh Hoa, Lai Chau, and Tien Giang made similar remarks as follows: In 1993, the incidents involving violations against the law have continued to develop complicatedly. The Supreme People's Organ of Control has contributed to the cause of national defense and security and to the campaign against corruption and smuggling, directing local people's organs of control to take prompt actions against economic violations; discovering many regulations and rules formulated by the various ministries, departments, and sectors which are at variance with the law; and recommending the cancellation of many legal documents which do not comply with the law or which show loopholes for bad elements to take advantage of.

Many deputies maintained that the court and people's organ of control should achieve closer coordination to ensure speedier and fairer court trials.

Tomorrow, Sunday, the National Assembly takes a day off and will work in the conference hall on Monday, 13 December.

Deputies Debate Socioeconomic Tasks

BK1312130193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 13 Dec 93

[Passages in boldface recorded]

[Summary] Dear friends: Today the fourth session of the Ninth National Assembly entered its seventh day of work.

"In the morning, the deputies heard Comrade Vu Mao, member of the National Assembly Standing Committee, deliver a report summing up various socioeconomic suggestions made by voters to the National Assembly, the government, and responsible organs."

The National Assembly spent most of the morning and the whole evening discussing implementation of the National Assembly resolution on socioeconomic development tasks for 1993 and on the orientation of 1994's tasks.

"Generally speaking, the deputies unanimously agreed with the government report presented to the National Assembly by Prime Minister Vo Van Kiet on the national socioeconomic situation for 1993."

The views expressed by the deputies "focused on such matters as agricultural production, capital construction, the market economy, anticorruption and antismuggling

activities, and socioeconomic development in mountain areas." An Giang Province Deputy Le Minh Tung said:

It can be said that the state trading firms have not satisfactorily performed their leading role in finding markets for peasants. This issue must be given more attention by the state. The state trading firms do not display a sense of responsibility for the peasants' end-products. They continue to go after profits; they have bought only those products that can produce profits, leaving unprofitable products for the peasants to resolve by themselves.

Comrade Pham Loi, deputy from Hanoi, proposed that the state promptly develop an domestic investment policy designed to provide incentives to various economic components. He said:

Because there are no policies to promote domestic investment, the people and various organizations do not feel secure in making bold investments in production development. I propose that the National Assembly promptly enact a domestic investment law, and regard this as a top priority in its 1994 legislative program.

Dear friends, "anticorruption and antismuggling activities were an issue the deputies paid much attention to and on which many profound views were expressed. Many deputies held that in 1993 the government instructed various ministries, sectors, and localities to adopt many important measures in the struggle to avert and do away with the harmful practice of corruption. Countless major cases of corruption and smuggling were detected, and more stern legal actions were taken against them. What has been achieved, however, is still far below what is required. The scourge of corruption and smuggling remains very serious. There are many reasons for the limited results of the anticorruption and antismuggling activities. The main reason is that we lack the determination and effective measures to deal with them. The deputies proposed that the state pay attention to revising various systems and policies without creating any loopholes that the miscreants can capitalize on. With regard to those corruption cases already detected, the state must urgently examine them to arrive at a conclusion."

Ms. Nguyen Hong Minh, deputy from Minh Hai Province, said:

Many localities failed to assess the corruption situation in a truly objective fashion. I propose that in its upcoming conference, the party look more carefully into the issue of employment, evaluation, and management of cadres. As for the National Assembly, it should not confine itself to hearing reports on anticorruption. Rather, it should exercise supervision over anticorruption activities. This is the only way it can contribute to the struggle against corruption.

Mountain area socioeconomic issues were also discussed by many deputies. Lai Chau Province Deputy (Li Li Hoa) said:

I propose that the government give priority to providing training for ethnic cadres and give favorable treatment to civil servants working in mountain regions, offshore islands, and border areas.

"Dear friends, tomorrow at the conference hall the National Assembly deputies will continue their debate on implementation of the National Assembly resolution on socioeconomic development for 1993 and on orientations and tasks for 1994."

Assembly Issues Communique No. 3

BK1312151593 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 13 Dec 93

[Communique No. 3 issued by the Ninth National Assembly's fourth session in Hanoi on 13 December]

[Text] Today, 13 December, the National Assembly held a plenary session at the Conference Hall in Hanoi. The morning session was chaired by National Assembly Vice Chairman Nguyen Ha Phan, and the afternoon session was directed by National Assembly Chairman Nong Duc Manh.

At the morning session, the National Assembly heard Vu Mao, member of the National Assembly Standing Committee, deliver a combined report on the voters' views on various issues. Afterward, National Assembly deputies discussed the implementation of National Assembly resolutions on tasks for 1993 and orientations and work for 1994.

A total of 23 deputies expressed their views on these issues. They included Le Minh Tung, from An Giang Province; Mai Van Nghe, from Nghe An; Do Hoang Hai, from Ho Chi Minh City; Ly Ly Pha, from Lai Chau; Truong Thi Khue, from Quang Tri; Pham Loi, from Hanoi; Pham Thanh Phong, from Long An; Nguyen Dang Lam, from Quang Nam-Danang; Tran Thi Kim Van, from Song Be; Tran Thu Toan, from Gia Lai; Trieu Thi Nhay, from Yen Bai; Nguyen Khac Tao, from Ha Tinh; Nguyen Thi Hong Minh, from Minh Hai; Dam Van Nghi, from Cao Bang; Dao Nam Tao, from Hai Hung; Bui Van Tong, from Kien Giang; Nguyen Van Duoc, from Quang Ngai; So Lay Tang, from Kon Tum; Bui Huu Hai, from Vinh Phu; Lam Phu, from Tra Vinh; Nguyen Van Thuan, from Binh Thuan; Pham Thi Son, from Ba Ria-Vung Tau; and Vu Thi Ngoc Dau, from Thai Binh. These deputies profoundly analyzed the implementation of the 1993 tasks and expressed their unanimity of views on the government's appraisal of past achievements, as well as its views on shortcomings in various domains.

Tomorrow, 14 December, the National Assembly will continue its work at the conference hall.

AFP on Events at Assembly Session

*BK1112064493 Hong Kong AFP in English 0550 GMT
11 Dec 93*

[Text] Hanoi, Dec 11 (AFP)—Some Communist Party deputies in Vietnam have heavily criticised government economic policies following a National Assembly meeting this week, political sources said Saturday. A number of deputies expressed concern over corruption, incompetence among party cadres and low civil service salaries and pensions, as well as low state-set prices for agricultural products, the sources said.

The National Assembly also discussed the official role of the Communist Party and Marxist-Leninist theory, echoing ideological debates by Vietnamese officials, according to the sources. Several deputies from southern Vietnam's Ho Chi Minh City expressed reservation over the country's long-term economic development, according to English-language daily SAIGON NEWS-READER.

The newspaper said party representative Tran Du Lich confirmed that the government had not yet found a way to resolve "defects in the market-oriented economy," noting the "inexorable growth in unemployment," which stands at an official 17 percent.

Professor Pham Phu, also a party deputy, questioned "the durability of the current rate of economic growth" in view of the "low rate of return achieved by most state-owned enterprises."

Prime Minister Vo Van Kiet, in his 1993 economic report presented to the assembly on Monday, highlighted average annual economic growth of 7.2 percent during his three-year plan to 1993. He said growth of "at least eight percent" was needed in coming years to overcome the nation's slow pace of development.

Deputy Le Minh Chau, who heads the Ho Chi Minh City Directorate of Commerce, said the State Planning Committee "has no effective control over the value of the country's infrastructure assets."

According to the Assembly's economic and budget commission, industrial growth stems from earlier investment in electrical power, cement and petroleum industries whereas coal and tin industries, which came along later, are in crisis.

The commission is also concerned over chronic problems in the areas of agriculture and state-run businesses, as well as graft and rising unemployment, the Saigon Newsreader said.

The assembly, which debated the 1994 budget on Thursday and Friday, will continue its second annual session until the end of the month. It is expected to pass laws on bankruptcy and environmental protection.

Vo Van Kiet Receives New Belgian Ambassador

*BK1012150993 Hanoi VNA in English 1358 GMT
10 Dec 93*

[Text] Hanoi VNA Dec. 10—Prime Minister Vo Van Kiet received here this afternoon the newly-accredited Belgian Ambassador to Vietnam Benoit Ryelandt.

Speaking at the reception, the Belgian ambassador recalled Prime Minister Vo Van Kiet's visit to Belgium last June considering it as an important contribution to the consolidation and development of the friendship and cooperation between Vietnam and Belgium. He affirmed that the Belgian Government has always attached great importance to the promotion of its cooperative relation of mutual benefit with Vietnam and of the relations between Vietnam and the European Community (EC) in its capacity as the president of the EC.

For his part, Prime Minister Vo Van Kiet expressed his thanks to the Belgian Government and people for their assistance to Vietnam, especially to wipe off Vietnam's debts. He expressed his belief that the cooperative relations between Vietnam and Belgium would further develop in many fields.

Premier Issues Decision on 1994 Troop Induction

*BK1112075293 Hanoi Voice of Vietnam Network in
Vietnamese 0500 GMT 9 Dec 93*

[Text] On 6 December, the prime minister issued a decision on 1994 troop induction. The decision says:

In 1994, the Ministry of National Defense and the Ministry of Interior are allowed to call up male citizens in their age group limit and female citizens from 18-20 years old for military service. The first stage of troop induction is from 19 February to 10 March. The second stage is in August and September with details of the timing to be set by the Ministry of National Defense in consultation with the Ministry of Interior. The national defense minister is to provide concrete guidance for the ministries, departments, and localities to implement this decision.

Government Issues Ordinance on Education System

*BK1012131193 Hanoi Voice of Vietnam Network in
Vietnamese 0500 GMT 8 Dec 93*

[Text] The government recently issued Ordinance No. 90, providing stipulations on the structure of our country's public education system and its system of diplomas and certificates for education and training.

From now on, the structure of the public education system will consist of kindergarten education, general education, vocational training, college education, and popular education. The ordinance stipulates various types of schools and classrooms for the public education and private education systems. It says that in addition to

those schools and classrooms reserved for general, talented, and gifted students, there are also many types of schools and classrooms reserved for special students, such as handicapped students, mentally retarded children, and school dropouts. The ordinance deals with diverse methods of education and training, such as: long-term, short-term, congregated, fragmented, regular, irregular, regular training, refresher training, self-teaching, and correspondence classes.

The ordinance also provides specific stipulations governing graduation diplomas and certificates for each grade and each level of education, saying that all types of diplomas and certificates in the public education system will be placed under uniform state control.

Government Issues Financial Transactions Decree

BK1112063093 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 9 Dec 93

[Text] In order to meet the demands of economic development and the stabilization of currency values, the government just issued Decree No. 91 on financial transactions without cash to replace previous decrees on the same issue. The decree allows all organizations and individuals in Vietnam to conduct their financial transactions without cash within the country via the State Bank, the State Treasury, commercial banks, branches of foreign banks, and joint venture banks.

Regarding people's mutual credit funds, the State Bank will choose some of them to experiment with these transactions. The banks and treasury offices are to organize the transactions in their system in a quick and safe manner. The State Bank is to issue regulations on financial transactions without cash and set up transaction fees.

Catholic Priests Convene at Nam Ha Forum

BK1112083093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Dec 93

[Text] The Nam Ha Province Fatherland Front Committee has convened a conference of Catholic priests to exchange views on religious activities. Attending the conference were 30 priests from the Hanoi and Bui Chu Dioceses. The participants expressed their aspirations and sentiments regarding the renovation process, as well as their confidence in the party and state policies on freedom of religion.

Many priests do a fine job for charity. Bishop Vu Duy Nhat and Father Pham Ngoc Oanh, who is in charge of Bui Chu Parish, are typical examples. They donated 30 million dong to the local Red Cross to open a humanitarian training course for nurses and provide assistance to the poor, handicapped, and people who have nobody to turn to in their time of need.

Australia

Keating Welcomes Malaysian Cabinet Decision

*BK1112121593 Melbourne Radio Australia in English
1100 GMT 11 Dec 93*

[Text] The diplomatic row between Australia and Malaysia is over. The Malaysian Cabinet has decided not to take action over, what it considered, offensive remarks by Australian Prime Minister Paul Keating.

The rift started last month when Prime Minister Keating called his Malaysian counterpart, Dr. Mahathir, a recalcitrant, for his failure to attend the Asia-Pacific Economic Cooperation [APEC] forum in the American city of Seattle.

Dr. Mahathir said he and his colleagues took into consideration the feelings of the ordinary Australian people when making today's decision and an expression of regret later offered by Mr. Keating. Mr. Keating, who has described the decision as sensible, says he welcomes the Malaysian cabinet's view that the matter is closed and Australia looks forward to renewing its relationship with Malaysia. Dr. Mahathir says he hopes the matter has brought about greater Australian appreciation of the sensitivities of Malaysians, and would prevent similar incidents in the future.

Many Australian businesses feared losing millions of dollars after Malaysian officials threatened to boycott on Australian manufacturers and Buy Australia Last campaign.

Adopts 'Low Profile'

*BK1212120293 Melbourne Radio Australia in English
1100 GMT 12 Dec 93*

[Text] Prime Minister Paul Keating has adopted a low profile following an end to the diplomatic row between Australia and Malaysia. Last night, the Malaysian cabinet decided not to impose trade, commercial, and diplomatic sanctions against Australia three weeks after Mr. Keating called Malaysian leader, Dr. Mahathir, a recalcitrant for refusing to attend the APEC [Asia-Pacific Economic Cooperation] Summit in Seattle. The end of the standoff has been welcomed by Foreign Affairs Minister Gareth Evans. Mr. Keating, however, remains reluctant to comment on the issue.

[Begin Keating recording] Well, we have had a good thirty-year relationship that's gone back to the time of the Indonesian confrontation period and other periods; other than that, I think it's a pretty robust relationship and I think this proves that. [end recording]

Greater Access to European Market Sought

*BK1112073093 Melbourne Radio Australia in English
0500 GMT 11 Dec 93*

[Text] The American trade representative, Mickey Kantor, says he is considering a compromise with the European Union over the General Agreement on Tariffs and Trade, GATT. While not revealing what was on the consideration, Mr. Kantor said he would be discussing his proposal soon with the European Union trade commissioner, Sir Leon Brittan.

Meanwhile, the Australian trade minister, Peter Cook, has told European trade officials in Brussels that Australia wants more access to the European market for its farm products. European correspondent, Majella Anning, reports:

[Begin Anning recording] In the last frantic days of negotiations leading up to the publication of a final GATT document in Geneva, Senator Cook is delivering his message to both the United States and Europe. In Brussels, he presented European agriculture commissioner, (Renas Sticken), with a list of demands for greater access into Europe for Australian beef, sheep meat, and dairy products. Later today, he will hold talks on access into the American market with U.S. agriculture secretary, Mike Espy. [end recording]

Tuvalu

Parliament Elects New Prime Minister

*BK1012063293 Melbourne Radio Australia in English
0500 GMT 10 Dec 93*

[Text] Parliament in Tuvalu has elected Kamuta Laatasi as the nation's new prime minister. He defeated the incumbent Bikenibeu Paeniu, seven votes to five, in the 12-member parliament. The vote follows the national election called late last month after two attempts to elect a prime minister in September ended in a tied vote. The challenger to Mr. Painu in those contests was Dr. Tomasi Puapua, who did not stand this time. Under a deal with Mr. Laatasi, Dr. Puapua is expected to be elected speaker when parliament resumes tomorrow. As well as being prime minister, Mr. Laatasi will hold the foreign affairs and economic portfolios. He has named as his deputy prime minister (Artenielu Toasi), who also holds the portfolios of natural resources department as well as home affairs and rural development. The finance portfolio has gone to (Poloa Talaki), who is also minister for trade, commerce, and public corporations. Other cabinet appointments are (Paen Malakaluka) who has been named minister for health and human resources development, and (Hoichi Tealei) has the labor, work, and communications portfolios.

